



华润凤凰医疗控股有限公司

China Resources Phoenix Healthcare Holdings Co., Ltd.

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立之有限責任公司)

Stock Code 股票代號 : 1515



二零一六年報
Annual Report 2016

CONTENTS

目錄

2	Corporate Information	公司資料
5	Highlights of the Year	年度大事記
6	Chairman's Statement	董事長報告
10	Management Discussion and Analysis	管理層討論與分析
12	China Healthcare Services Industry	中國醫療服務產業
15	Group Development Review	集團發展回顧
17	Positioning and Business Model	定位和商業模式
22	Investment and Development Strategy	投資與發展策略
34	Major Risks and Uncertainties being Faced by the Group	集團面臨的主要風險及不確定性
35	Financial Review	財務回顧
52	Directors' Report	董事會報告
89	Corporate Governance Report	企業管治報告
117	Directors and Senior Management	董事及高級管理人員
125	Environmental, Social and Governance Report	環境、社會及管治報告
144	Independent Auditor's Report	獨立核數師報告
151	Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收入報表
153	Consolidated Statement of Financial Position	綜合財務狀況報表
155	Consolidated Statement of Changes in Equity	綜合權益變動報表
157	Consolidated Statement of Cash Flows	綜合現金流量報表
160	Notes to the Consolidated Financial Statements	綜合財務報表附註
296	Financial Summary – In Accordance with International Financial Reporting Standards	財務摘要 – 根據國際財務報告準則
297	Definitions	釋義

Corporate Information 公司資料

DIRECTORS

Non-executive Directors:

Mr. Wang Yin (*Chairman of the Board*)
Mr. Wang Yan
Mr. He Xuan
Mr. Liang Hongze

Executive Directors:

Mr. Cheng Libing (*Vice Chairman of the Board*)
Mr. Wu Potao (*Chief Executive Officer*)
Mr. Xu Zechang (*Executive General Manager*)

Independent Non-executive Directors:

Mr. Kwong Kwok Kong
Ms. Cheng Hong
Mr. Sun Jianhua
Mr. Lee Kar Chung Felix

AUDIT COMMITTEE

Mr. Kwong Kwok Kong (*Chairman*)
Mr. Wang Yan
Ms. Cheng Hong
Mr. Sun Jianhua

REMUNERATION COMMITTEE

Mr. Sun Jianhua (*Chairman*)
Mr. Wu Potao
Mr. Lee Kar Chung Felix

NOMINATION COMMITTEE

Ms. Cheng Hong (*Chairman*)
Mr. Liang Hongze
Mr. Lee Kar Chung Felix

AUTHORIZED REPRESENTATIVES

Mr. Wu Potao
Ms. Ngai Kit Fong

COMPANY SECRETARY

Ms. Ngai Kit Fong

董事

非執行董事：

王 印先生 (*董事長*)
王 彥先生
賀 旋先生
梁洪澤先生

執行董事：

成立兵先生 (*副董事長*)
吳珀濤先生 (*行政總裁*)
徐澤昌先生 (*執行總經理*)

獨立非執行董事：

鄺國光先生
程 紅女士
孫建華先生
李家聰先生

審核委員會

鄺國光先生 (*主席*)
王 彥先生
程 紅女士
孫建華先生

薪酬委員會

孫建華先生 (*主席*)
吳珀濤先生
李家聰先生

提名委員會

程 紅女士 (*主席*)
梁洪澤先生
李家聰先生

授權代表

吳珀濤先生
倪潔芳女士

公司秘書

倪潔芳女士

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN CHINA

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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REGISTERED OFFICE

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

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HONG KONG BRANCH SHARE REGISTRAR

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AUDITORS

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KY1-1002, Cayman Islands

香港證券登記分處

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香港
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Corporate Information 公司資料

LEGAL ADVISERS

As to Hong Kong law

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PRINCIPAL BANKERS

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STOCK CODE

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COMPANY WEBSITE

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法律顧問

香港法律

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主要往來銀行

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中國工商銀行
中國北京
西城區
陶然亭路55號

股份代號

1515

公司網站

www.crphoenix.hk

Highlights of the Year

年度大事記

January: Phoenix Oxford Cancer Center was established in Yan Hua Hospital.

1月：鳳凰牛津腫瘤中心在北京燕化醫院成立。

February: The 2016 Awards Ceremony of the Group's "Phoenix Innovation and Development Award of the Chairman Foundation" was successfully held – An innovative development to create a bright future with joint effort.

2月：創新發展共襄未來 – 本集團「董事長基金鳳凰創新與發展獎」2016年頒獎典禮成功舉行。

March: The "P.H.G. Annual Academic Symposium 2016" successfully convened – Innovation accelerates development, Clinical characteristics upgrade brand.

3月：創新加速發展特色提升品牌 – 「鳳凰學術年會·2016」成功召開。

March: the donation and signing ceremony of "Peking University X Phoenix Healthcare General Medical Development Fund" was held in the conference center of Peking University Health Science Center.

3月：「北京大學鳳凰醫療全科醫學發展基金」捐贈簽約儀式在北京大學醫學部會議中心舉行。

April: The thematic event "May Fourth Memorial, Phoenix Take-off" was held by the Youth Committee of the Group – Inherit culture, Consolidate forces.

4月：傳承文化凝集力量 – 鳳凰醫療集團青委會「紀念五四，鳳凰騰飛」主題活動舉辦。

August: The Group and CR Healthcare Group signed a definitive agreement in relation to the acquisition of hospital assets of CR Healthcare Group.

8月：本集團與華潤醫療集團就收購華潤醫療集團旗下醫院資產簽署正式交易協議。

October: Two of our hospitals once again passed the Joint Commission International (JCI) review, turning a new chapter of the Group's healthcare management – An episode of passing the JCI certification by Jiangong Hospital and Yanhua Hospital of the Group for the third time.

10月：「双叟」通過JCI復審，續寫本集團管理新篇 – 鳳凰醫療集團健宮醫院、燕化醫院第三次通過JCI認證。

October: Asset Restructuring of the Group and CR Healthcare Group completed, and CR Healthcare Group officially became the largest shareholder of the Group.

10月：本集團與華潤醫療集團資產重組交割，華潤醫療集團正式成為本集團第一大股東。

November: The Company and Pfizer signed a cooperation agreement – Hand in hand to strive for development, Alliance between giants to create a new chapter.

11月：攜手共進謀發展，強強聯合創新篇 – 本公司與輝瑞簽約合作。

December: The Company and Peking University Health Science Center cooperated to facilitate the development of optometry – the signing ceremony of "CR Phoenix Healthcare Optometry Development Fund" was successfully held.

12月：本公司與北大醫學部合作助力眼視光醫學發展 – 「華潤鳳凰醫療眼視光醫學發展基金」簽約儀式成功舉行。

Chairman's Statement 董事長報告

Distinguished Shareholders,

2016 was a milestone on the path of the Group's development. Phoenix Healthcare Group Co., Ltd. reorganized with CR Healthcare Group and was renamed to China Resources Phoenix Healthcare Holdings Limited (hereinafter referred as "CR Phoenix"). CR Healthcare Group is a wholly-owned subsidiary of CR Holdings. CR Holdings is a diversified conglomerate under the administration of the State-owned Assets Supervision and Administration Commission of the State Council, ranking the 91st among the Fortune 500 in 2016. Being a long-term strategic shareholder of the Group, CR Holdings is committed to the long-term development of the Chinese healthcare industry. We believe that market-oriented mechanisms will be maintained by the Group after the reorganization. The effectively superposed and complementary advantages of Shareholders are expected to significantly enhance the Group's core competitive advantages, including capabilities in terms of industrial mergers and acquisitions as well as resource integration.

Through the reorganization, our in-network hospitals expanded from the Beijing-Tianjin-Hebei region after the first time out of Beijing in 2015, to two of the most economically-developed and populated regions, the Pearl River Delta and the Pan-Yangtze River Delta, achieving breakthroughs in development in terms of business scale and network layout. Currently, CR Phoenix has 7 Grade III hospitals, 14 Grade II hospitals, 27 Grade I hospitals, 55 community agencies via investment, management or contractual arrangement more than 11,772 operational beds and receives over 10 million outpatient visits per year. Among which, revenue from medical institutions under the Group's operation and management amounted to RMB5.926 billion which established our leading position in China's social-capital-run hospitals business.

尊敬的各位股東：

2016年是本集團發展路途上具有里程碑意義的一年。鳳凰醫療集團有限公司與華潤醫療集團進行重組，並更名為華潤鳳凰醫療控股有限公司（以下簡稱「華潤鳳凰」）。華潤醫療集團是華潤集團的全資附屬公司，華潤集團是國務院國資委管理的大型多元化企業，2016年《財富》世界500強排名第91位，作為本集團長期戰略股東，華潤集團致力於中國健康產業的長期發展。我們相信，本集團成功實現重組之後，將繼續保持市場化運行機制。基於股東各自優勢的有效疊加和互補，將顯著提升本集團包括產業併購和資源整合等能力在內的核心競爭優勢。

通過重組，本集團繼2015年首次走出北京市邁入京津冀之後，進一步將旗下醫療機構擴展至珠三角和泛長三角兩個經濟最發達、人口最眾多的重要區域，在業務規模和網絡布局上獲得了突破性發展。目前，華潤鳳凰旗下投資、管理及簽約7家三級醫院，14家二級醫院，27家一級醫院，55家社區機構，超過11,772張床位，年門診量逾千萬人次，其中，已運營管理的集團旗下運營醫療機構營業額合計人民幣59.26億元，從而確立了在中國社會資本辦醫的行業領先地位。

As at December 31, 2016, the Group recorded revenue of RMB1.533 billion according to the international accounting standards, representing a year-on-year increase of 11.7%.

In 2016, the Group completed the acquisition of equity interests of Ample Mighty. The acquisition was completed by issuing new shares based on the fair value of the net identifiable assets of the target company at the price of HK\$8.04 per share. However, according to the requirements of the IFRSs, the Group should, on the date of completion of the acquisition, determine the goodwill arising from the acquisition in respect of the difference between the fair value of the net identifiable assets of the acquired assets and the fair value of the consideration paid for the acquisition. The fair value of the consideration paid for the acquisition is usually determined based on the close price of the Company's shares of the completion date (the shares closed at HK\$12.34/share on that day). As a result, the Group increased the goodwill for the above acquisition by approximately RMB1.7 billion. Considering that there were no substantive changes in the acquired assets during this period, the Group decided to make full provisions for the impairment of the increase in goodwill (approximately RMB1.7 billion) according to the requirements of the IFRSs. Hence the Group recorded a loss attributable to shareholders in 2016. Such impairment loss for goodwill was purely a result of an accounting treatment based on the requirements of the IFRSs as well as a one-off non-cash profit or loss item on the income statement without any impact on the daily operation or cash flow of the Group.

截至2016年12月31日止，本集團按國際會計準則錄得收益人民幣15.33億元，同比增長11.7%。

2016年度本集團完成收購廣雄股權，該收購事項根據目標資產之可辨認淨資產之公允價值以增發新股的模式完成，增發新股的定價為每股8.04港元，但按國際財務報告準則的要求，本集團須於收購項目完成日就有關的收購資產之可辨認淨資產之公允價值以及就收購支付代價之公允價值的差額釐定這個收購項目產生的商譽。收購項目支付代價之公允價值通常根據本公司股票於完成日之收市價釐定（當天收市價為每股12.34港元）。因此，本集團就上述收購項目增加了約人民幣17億元的商譽。鑑於這段期間內收購資產本身沒有實質改變，本集團決定根據國際財務報告準則規定將增加的商譽（約人民幣17億元）全部計提減值，從而導致本集團2016年度錄得股東應佔虧損。該商譽減值虧損純粹為按照國際財務報告準則規定會計處理之結果，且為收益表中之非現金一次性損益項目，對本集團之日常營運及現金流概無影響。

Chairman's Statement 董事長報告

After the inclusion of the aforesaid goodwill impairment, the amount of loss from principal operations attributable to shareholders of the Group in 2016 was RMB1.507 billion. Excluding the aforesaid impairment loss for goodwill and restructuring cost, net profit attributable to shareholders was RMB250 million, representing a year-on-year increase of 28.9%.

2016 was both the first year of the “Thirteenth Five-Year” period and an important year for the healthcare reform. Government authorities successively rolled out significant medical reform policies to promote the introduction of social capital into the healthcare industry, hence boosting the benign development of Chinese healthcare services industry as a whole. The rigid demand for healthcare services was also significant and maintained an accelerated growth.

Looking forward, the healthcare services industry is expected to become one of the industries with the most promising growth potential. Consumption upgrading and an aging population will create a sustainable growth in needs for the development of the industry. We expect that elderly population aged 60 or above in China will reach 240 million by 2020, and with the continuous increase in disposable income per capita, diversified demand for high-quality healthcare services and demand from the elderly population in terms of rehabilitation care, elderly care and preliminary care will be increasingly prominent, thereby driving sustained growth of the medical and healthcare services industry.

在計入上述商譽減值之後，2016年度本集團主營業務股東應佔虧損為人民幣15.07億元。若不計入上述有關商譽減值虧損和重組費用，股東應佔淨利潤為人民幣2.50億元，同比增長28.9%。

2016年是「十三五」的開局之年，也是醫改的重要一年。政府主管部門陸續出台了重要醫改政策，促進加快社會資本辦醫，推動中國醫療產業整體的健康發展。醫療服務的剛性需求也表現明顯，保持了較快的增速。

展望未來，醫療健康服務行業將是最具增長潛力的行業之一。消費升級和人口老齡化將為行業發展創造可持續的增長需求。預計到2020年，我國60歲及以上的老齡人口將達到2.4億人，而隨着人均可支配收入的持續上升，對優質醫療服務的多元化需求，老齡人口的康、養、護等需求都將日益凸顯，從而驅動醫療健康服務行業的持續增長。

Dr. Fu Yuning, Honorary Chairman of the Group, has put forward the philosophy of “Benefit all with benevolence and competence” (“仁心仁術，康澤天下”). In 2017, our priorities will be focused on four aspects: 1) actively seizing policy and market opportunities, adhering to the entrepreneurial spirit, and expanding the scale of business through new mergers and acquisitions as well as IOT model etc., to obtain more operational beds; 2) accelerating integration, improving the operational efficiency of our in-network hospitals and enhancing financial returns; 3) strengthening development of disciplines, raising the level and reputation of healthcare services of our in-network hospitals and solidifying the “ingenuity” (“匠心”) spirit; 4) upgrading healthcare services quality and compliance management. The above mentioned strategies will help us build a solid foundation for our sustainable development into a time-honored and internationally recognized hospital group.

Last but not least, I would like to express my heartfelt gratitude to the Shareholders, Directors, management and staff of CR Phoenix.

Wang Yin
Chairman
China Resources Phoenix Healthcare Holdings Company Limited

本集團榮譽主席傅育寧博士提出了「仁心仁術，康澤天下」的理念。在2017年，我們的重點工作將主要圍繞四方面：1) 積極把握政策機遇和市場機遇，堅持創業精神，擴大業務規模，通過新的併購以及IOT模式等方式獲得更多的床位；2) 加快整合，提升系內醫院的運營效率，並提升財務回報；3) 加強學科建設，提升系內醫療機構的醫療水平和服務口碑，強化「匠心」精神；4) 加強醫療質量及合規性管理。通過上述工作，為未來可持續增長奠定堅實的基礎，向百年醫院集團邁進，向世界級醫院集團邁進。

最後，衷心感謝華潤鳳凰的各位股東、董事、管理團隊和全體同事們。

華潤鳳凰醫療控股有限公司
董事長
王印



**MANAGEMENT
DISCUSSION
AND ANALYSIS**
管理層討論與分析



Management Discussion and Analysis

管理層討論與分析

(I) CHINA HEALTHCARE SERVICES INDUSTRY

At present, China has stepped into aging society. Driven by various factors such as steady progress of urbanization, sustained growth of disposable income per capita, continuous improvement of medical technologies and social security, the healthcare market in China is huge and is growing rapidly. According to the National Health and Family Planning Development Statistical Bulletin (《衛生和計劃生育事業發展統計公報》), healthcare consumption in China amounted to RMB4,058.77 billion in 2015, sustaining at 12.53% CAGR for the past five years. This, however, only accounted for 6.0% of the GDP and was below the average of higher-income and middle-income countries. Given the enormous base of population and consumption, the Chinese healthcare market still has significant room to grow. According to the target proposed in the “13th Five-Year Plan for Healthcare” (Guo Fa [2016] No. 77)(《“十三五”衛生與健康規劃》國發[2016]77號), by 2020, total healthcare expenditure in China will account for 6.5% to 7.0% of the GDP and the healthcare market will reach a size of RMB6.2 to RMB6.7 trillion.

(-) 中國醫療服務產業

當前，中國已經步入老齡化社會，在城鎮化穩步推進、居民可支配收入持續增長、醫學技術不斷進步發展以及社會保障水平持續提升等因素的驅動下，中國醫療市場規模巨大，並迅速擴容。根據衛生和計劃生育事業發展統計公報顯示，2015年中國衛生消費總額人民幣40,587.7億元，在過去5年保持了12.53%的複合增長率，但依然僅佔國民生產總值的6.0%，低於高收入和中高等收入國家水平。考慮到人口和消費的巨大基數，中國醫療服務市場還有很大上升空間，按照國務院《「十三五」衛生與健康規劃》(國發[2016]77號)中所提出的目標，到2020年，中國衛生消費總額將佔國民生產總值的6.5%-7.0%，衛生消費市場將達到人民幣6.2-6.7萬億元規模。

Meanwhile, the in-depth development of the national healthcare system reform is underway and focuses on providing preliminary healthcare services to all residents based on the principle of “maintaining basic coverage, enhancing capabilities of lower level medical institutions and facilitating system and mechanism”, it aims to develop three medical linkages between healthcare, medical insurance and medication (“三醫聯動”). The coverage of the national healthcare protection is expanding. The public hospital reform entered a crucial period in which structural innovations under the concept of “divesting public service units from government” continued to progress. While assuring the accessibility and affordability of national preliminary healthcare services, the healthcare reform aims to better satisfy the multi-level and diversified needs of the public. These initiatives accelerate the progress in the structural reform of public hospitals, and largely encourage the investment of private capital in the healthcare industry. Driven by the healthcare reform, private capital will identify numerous opportunities arising from the reform of public hospitals, output of professional hospital management, development of hospital groups network, differentiated healthcare services and combination of elderly care and rehabilitation. The development trend and policy orientation of the China’s healthcare services industry provides a favorable environment for hospital management groups with rich experience in healthcare reform and scale advantages.

The year 2016 is the opening year of China’s “13th Five-Year Plan”. The PRC government has launched a series of significantly favorable policies in areas of state-owned enterprises reform and healthcare system reform:

與此同時，國家醫改政策正向縱深發展，以向全民提供基本醫療公共服務為核心，以「保基本、強基層、建機制」為基本原則，推進醫療、醫保、醫藥三醫聯動。居民基本醫療保障的覆蓋面和保障深度不斷擴大；公立醫院改革進入攻堅期，圍繞政事分開、管辦分開所進行的體制機制創新不斷推進；醫藥衛生體制改革在保證全民基本醫療服務的可及性和可支付性的基礎上，更好地滿足民眾的多層次、多元化需求。新醫改的深入為社會資本進入醫療服務行業帶來了機遇，同時也開啟了公立醫院體制機制改革的征程。在醫改政策推動下，社會資本在公立醫院全面改制、專業醫院管理輸出、建設醫院集團網絡、差異化醫療服務及發展養老康復醫療體系等方面將獲得大量投資機會。中國醫療服務產業的發展趨勢和政策導向將為具有豐富醫改經驗以及規模優勢的醫院管理集團創造良好的發展環境。

2016年是「十三五」開局之年，中國在國有企業改革領域和醫療體制改革領域，相繼出台一系列重大利好政策：

Management Discussion and Analysis 管理層討論與分析

1. The state-owned enterprises reform. Based on the “Guidance on Deepening State-owned Enterprises Reform” (Zhong Fa [2015] No.22) (《中共中央國務院關於深化國有企業改革的指導意見》中發[2015]22號), which requires to accelerate to divest social obligations and hospitals established by state-owned enterprises, the State Council of the PRC further issued the “Notice on Accelerating to Divest Social Obligations and Historical Issues” (Guo Fa [2016] No.19) (《關於印發加快剝離國有企業辦社會職能和解決歷史遺留問題工作方案的通知》國發[2016]19號). The Notice requires that medical institutions established by state-owned enterprises shall be categorized and divested by various ways including transferring, merging, restructuring or introducing professional management, or government procurement services etc., which, or together with the centralized management, should be accomplished by the end of 2018; it is encouraged to explore models such as government procurement services and involving private capital into the restructuring of medical institutions established by state-owned enterprises.
2. The healthcare system reform. As a guidance for the healthcare development in China during the “13th Five-Year Plan”, the “13th Five-Year Plan for Healthcare” (《“十三五”衛生與健康規劃》) requires to devote great endeavors to the development of private hospitals, and the formation of diversified healthcare services model. The plan encourages private sector’s involvement in the healthcare services business, promoting the development of professional hospital management groups and high-level private medical institutions.

The major policies of state-owned enterprises reform and deepening healthcare system reform have created unprecedented opportunities for the leaping development of professional hospital management groups in China. It is expected in the next 2 to 3 years, the PRC government and state-owned enterprises will further expand the scope of healthcare reform. During this critical window period when two reform policies converge, the Group will further consolidate its leading position in China healthcare industry by accelerating its mergers and acquisitions as well as integration.

一、是在國有企業改革領域。在《中共中央國務院關於深化國有企業改革的指導意見》(中發[2015]22號)要求「加快剝離企業辦社會職能，剝離國有企業所辦醫院」的基礎上，國務院進一步出台《關於印發加快剝離國有企業辦社會職能和解決歷史遺留問題工作方案的通知》(國發[2016]19號)要求對國有企業辦醫療機構實行分類處理，採取移交、撤併、改制或專業化管理、政府購買服務等方式進行剝離，並明確限定於2018年底前完成企業辦醫療機構的移交改制或集中管理工作；積極探索政府購買服務等模式，引入社會資本參與企業辦醫療機構的重組改制。

二、是在醫療體制改革領域。作為指導我國「十三五」時期衛生與健康事業發展的綱領性文件，《「十三五」衛生與健康規劃》明確要求大力發展社會辦醫，加快形成多元辦醫格局，鼓勵社會力量興辦健康服務業，發展專業性醫院管理集團，推動社會力量辦醫療機構上水平發展。

國企改革、深化醫療體制改革的重大政策，為我國專業醫院管理集團的跨越式發展創造了前所未有的契機。預計未來2-3年，我國政府、國有企業還將進一步擴大醫改範圍，在兩大政策交匯的重要窗口期，本集團將通過加快併購整合，進一步鞏固國內醫療產業集團的龍頭地位。

(II) GROUP DEVELOPMENT REVIEW

In 1988, 12 doctors, with entrepreneurial ambition, established Traumatic Hospital of Jilin, marking the first step of CR Phoenix into the healthcare industry, as well as a breakthrough of private capital's investment into China's healthcare market. Despite the challenges during the past 28 years, being the pioneer in this sector, the Group has always been maintaining its enthusiasm, prudence, high-efficiency, pragmatic entrepreneurship and passion. With its extensive experience in hospital investment and operation and management through long-term practices, the Group has established a set of experience-based hospital operation and management systems, along with a high quality and experienced management team. Our "collective, market-oriented, integrated and industrialized" development pattern has enabled us to become the largest professional hospital group in the capital markets of China and Hong Kong.

In 2016, the Group successfully accomplished the strategic reorganization with CR Healthcare Group, which significantly expanded our hospital network and business scale. By leveraging the brand effect of "CR Holdings" as a key state-owned enterprise and its diversified industry resources, along with our Group's market-oriented mechanism and mature operational capabilities, this reorganization greatly enhanced the Group's competitive advantages, which laid a solid foundation for improving the operational efficiency of existing hospitals and accelerating the expansion of our hospital group network.

After the reorganization, our operation and management team remained stable and adhered to our original operation mode and development strategy. At the same time, Dr. Fu Yuning, chairman of CR Holdings and Mr. Wang Yin, vice chairman of CR Holdings, served as the honorary chairman and chairman of the Group respectively, which reflects that CR Holdings highly values and supports the Group.

(二) 集團發展回顧

1988年，十二名帶着創業夢想的醫生創辦了吉林創傷醫院，邁出了華潤鳳凰走向醫療健康產業的第一步，也開創了中國社會資本辦醫的先河。二十八年風雨兼程，作為社會資本辦醫和公立醫院改革的先鋒，本集團始終保持着積極、穩健、高效、務實的創業精神與創業熱情，並通過長期實踐，積累了豐富的醫院投資和運營管理經驗，形成了一整套源於實戰的醫院集團化運營管理體系，打造了一支專業化、高水準的醫院管理團隊，形成了以「集團化、市場化、集約化、產業化」為特徵的發展模式，成為中國內地及香港資本市場規模最大的專業化醫院集團。

2016年，本集團成功實現與華潤醫療集團的戰略重組。在令本集團醫院網絡和業務規模顯著擴大同時，華潤集團的央企品牌、多業態資源支持與本集團既有的市場化運行機制、成熟的醫院集團運營能力形成明顯的優勢互補和疊加，使本集團的核心競爭力得到顯著提升，將為本集團提高現有醫院的運營效益、加快醫院集團網絡擴張速度奠定了堅實的基礎。

重組後，本集團運營管理團隊保持穩定，集團既定發展戰略和運營策略保持延續。同時，華潤集團董事長傅育寧博士、副董事長王印先生分別親自兼任本集團榮譽主席和董事長，體現了華潤集團對本集團的高度重視和鼎力支持。

Management Discussion and Analysis 管理層討論與分析

After the reorganization, 103 medical institutions are under the Group's investment, management or contractual arrangement, with nearly 11,772 beds in operation, widely spread over key regions including Beijing, North China, East China, Central China and South China. With 7 Grade III hospitals, 14 Grade II hospitals, 82 Grade I hospitals and clinics, we provide a full range of multi-level healthcare services such as clinical diagnosis and treatment, healthcare management, public health and a combination of medical treatment and elderly care.

In 2016, medical institutions under the Group's operation recorded total revenue of RMB5.926 billion, representing a year-on-year increase of 96.3%; with 7.774 million patient visits in total, representing a year-on-year increase of 64.2%.

In 2016, the Group completed the acquisition of equity interests of Ample Mighty. The acquisition was completed by way of issuing new shares based on the fair value of the net identifiable assets of Ample Mighty and at the price of HK\$8.04 per share. However, according to the requirements of IFRSs, the Group should determine the goodwill arising from the acquisition in respect of the difference between the fair value of the net identifiable assets of the acquired assets and the fair value of the consideration. The fair value of the consideration for the acquisition is usually determined based on the closing price of the Company's shares as of the date of completion (the shares closed at HK\$12.34/share on the date of completion). As a result, the Group increased the goodwill for the above acquisition by approximately RMB1.7 billion. Considering that there were no substantive changes in the acquired assets during this period, the Group decided to make full provisions for the impairment of the increase in goodwill (approximately RMB1.7 billion) according to IFRS. Hence, the Group recorded a loss attributable to shareholders in 2016. Such impairment loss for goodwill was purely a result of an accounting treatment based on IFRS as well as a one-off non-cash profit or loss item on the income statement without affecting the daily operation and cash flow of the Group.

重組後，本集團投資、管理及簽約的醫療機構數量為103家，運營床位數近11,772張，分佈於北京、華北、華東、華中、華南等主要區域，涵蓋7家三級醫院、14家二級醫院、82家一級醫院及診所，提供臨床診療、健康管理、公共衛生、醫養結合等全方位、多層次的醫療健康服務。

本集團旗下運營醫療機構2016年度總營業額人民幣59.26億元，較2015年度增幅達96.3%；診療總人次777.4萬，較2015年度增幅達64.2%。

2016年度本集團完成收購廣雄股權，該收購事項根據目標資產之可辨認淨資產之公允價值以增發新股的模式完成，增發新股的定價為8.04港元，但按國際財務報告準則的要求，本集團須於收購項目完成日就有關的收購資產之可辨認淨資產之公允價值以及就收購支付代價之公允價值的差額釐定這個收購項目產生的商譽。收購項目支付代價之公允價值通常根據本公司股票於收購項目完成日之收市價釐定（當天收市價為每股12.34港元）。因此，本集團就上述收購項目增加了約人民幣17億元的商譽。鑑於這段期間內收購資產本身沒有實質改變，本集團決定根據國際財務報告準則規定將增加的商譽（約人民幣17億元）全部計提減值，從而導致本集團2016年度錄得股東應佔虧損。該商譽減值虧損純粹為按照國際會計準則規定會計處理之結果，且為收益表中之非現金一次性損益項目，對本集團之日常營運及現金流概無影響。

After the inclusion of the aforesaid goodwill impairment, the amount of loss from principal operations attributable to shareholders of the Group in 2016 was RMB1.507 billion. Excluding the above impairment loss for goodwill and the restructuring costs, net profit attributable to shareholders was RMB250 million, representing a year-on-year increase of 28.9%.

(III) POSITIONING AND BUSINESS MODEL

Hospital group is our unique and explicit industry orientation in China's healthcare industry.

As a hospital group, our high quality, differentiated and multi-level healthcare services are able to cover stable and large population, which is our unique advantage compared with other industries, and anchor us as the core and hub in China's "Big Healthcare" industry. Hospital groups have huge industrial expansion opportunities and derived values, along with their traditional industrial value. Using the hospital group as the base, we will expand upstream and downstream within the industry, thus enrich our business model of "hospital group+", i.e. "hospital group + GPO", "hospital group + physician company", "hospital group + internet healthcare", "hospital group + medical insurance", "hospital group + elderly care", "hospital group + UCC" etc. These newly derived values will maximize the value of the hospital group as a whole. In 2017, among all the above derived models, we will focus on developing the physician company business, in addition to the GPO business already in operation.

Our Group has well-structured profit models, including operational revenue and derived revenue from hospital group, among which:

1. Operational revenue from hospital group

(1) General healthcare services

The revenue is derived from the provision of healthcare services to patients by the profit-making medical institutions invested and managed by the Group.

在計入上述商譽減值之後，2016年度本集團主營業務股東應佔虧損為人民幣15.07億元。若不計入上述有關商譽減值虧損和重組費用，股東應佔淨利潤為人民幣2.5億元，同比增長28.9%。

(三) 定位和商業模式

連鎖醫院集團是本集團在中國醫療健康領域獨特且明確的產業定位。

連鎖醫院集團通過為社會提供高品質、差異化、多層次的醫療服務，能夠形成醫療健康領域其他業態難以企及的穩定和龐大的服務人口規模，可以牢牢佔據在中國大健康產業的核心和樞紐地位。因此，連鎖醫院集團不僅具有醫療服務本身的行業價值，還具有巨大的產業延伸空間和產業衍生價值。以醫院集團為基礎，向產業上下游延伸，將進一步實現「醫院集團+」的商業模式，即：「醫院集團+集團採購組織(GPO)」、「醫院集團+醫生集團」、「醫院集團+互聯網醫療」、「醫院集團+健康險」、「醫院集團+養老」、「醫院集團+快捷診療診所(UCC)」等諸多衍生業務並創造新的衍生價值，實現綜合醫院集團商業模式的價值最大化。2017年，醫院集團衍生業務將在GPO業務的基礎上重點發展醫生集團業務。

綜合醫院集團擁有清晰的盈利模式，包括醫院集團運營收益和醫院集團衍生收益，其中：

1. 醫院集團運營收益

(1) 綜合醫療服務

該收益是本集團投資管理的營利性醫療機構通過為患者提供醫療服務而直接獲取的收益。

Management Discussion and Analysis 管理層討論與分析

(2) *Hospital management and consulting services*

The Group invests in not-for-profit hospitals, and will enter into consulting or management agreements with the sponsors of the invested hospital (or invested hospitals) to establish consulting business relationships or obtain management rights. Pursuant to these agreements, our Group provides consulting or management services to the invested hospitals, and is entitled to receive consulting or management fees. Our investment in not-for-profit hospitals can be divided into two models: (i) to acquire the sponsorship of the target hospital through investment, such as our investments in Guangdong 999 Brain Hospital, Wugang Hospital Group, Huaikuang Hospital Group and Xukuang Hospital. (ii) to acquire the management rights of the invested hospitals through investment, such as IOT investments in Yan Hua Hospital Group, Jing Mei Hospital Group, Mentougou Hospital Group, etc..

Revenue from hospital management and consulting services also contains revenue from the collective management of supply chain of the invested hospitals. By establishing professional supply chain management companies, our Group has set up an integrated supply chain management system involving upstream pharmaceutical distributors and in-network hospitals. Our supply chain management services enable all participants, including in-network hospitals, manufacturers and distributors, to benefit from improved efficiency and reduced cost. Our supply chain management companies charge upstream suppliers and in-network hospitals (included in the management fee from hospitals) management fee, which is counted as other income from hospital management services.

(2) 醫院管理及諮詢服務

本集團將與被投醫院（或被投醫院舉辦方）簽署管理服務或諮詢服務協議，基於這些管理服務協議的約定向被投醫院提供管理輸出和管理或顧問諮詢服務，以獲得被投醫院的運營管理權和約定的管理服務收益。本集團針對非營利性醫院的投資包括兩種投資模式，一是通過投資獲得標的醫院舉辦權，例如對廣東三九腦科醫院、武鋼醫院集團、淮礦醫院集團、徐礦醫院等的舉辦權投資；二是通過投資獲得被投醫院的運營管理權，例如對燕化醫院集團、京煤醫院集團、門頭溝區醫院集團等的IOT投資。

醫院管理服務收益還包括對所屬醫院實施集團化供應鏈管理所產生的收益，即：建立集團化供應鏈管理體系，設立專業化供應鏈管理公司，與上游藥品供應商及成員醫療機構合作共建藥品供應鏈一體化管理體系。通過供應鏈管理公司向上游藥品供應商及成員醫院提供供應鏈管理服務，使得包含成員醫院、上游生產企業、流通企業在內的藥品供應鏈各個環節均能獲取因運營效率提升及管理成本下降所產生的效益。供應鏈管理公司就所創造的供應鏈管理效益分別向上游藥品供應商及成員醫院（包含在醫療管理費中）收取管理服務費，並形成相應醫院管理服務收益。

2. Derived revenue from hospital group

The derived revenue from the hospital group represents the revenue derived from the Group's diversified business within the "Big Healthcare" strategy including but not limited to GPO business, physician company business, mobile medical business, combination of medical treatment and elderly care business and combination of medical treatment and insurance business. Currently, the derived revenue of the Group principally includes the revenue from the GPO business. It is expected that, subsequent to the year of 2017, the derived revenue of hospital group such as physician group business, UCC business, combination of medical treatment and elderly care business and combination of medical treatment and insurance business would be gradually realized.

(1) GPO (Group Purchasing Organization)

By unleashing the scale advantages of the hospital group and referring to the mature international GPO experience, our Group consolidates the procurement needs of medical and non-medical supplies of our in-network hospitals. With these consolidated needs, we negotiate with upstream manufactures and distributors, so as to significantly cut the purchase cost which constitute our derived revenue from GPO business. According to the regulations from the PRC government, medical institutions shall purchase pharmaceuticals and medical consumables at the "bidding price" stipulated by the local authorities. As a result, the benefit derived from our GPO model is not able to directly form the operating income of hospitals. Instead, it was presented as revenue of our Group's GPO platform, constituting the derived revenue from GPO business.

2. 醫院集團衍生收益

醫院集團衍生收益是本集團向大健康產業的多業態延伸並創造包括但不限於GPO業務、醫生集團業務、移動醫療業務、醫養結合業務、醫保結合業務等的衍生價值。目前，本集團衍生收益主要包括GPO業務收益，預計2017年度及以後，醫生集團業務、UCC業務、醫養結合業務、醫保結合業務等醫院集團衍生收益將逐步得以實現。

(1) GPO (集團採購組織， Group Purchasing Organization)

本集團發揮醫院集團規模優勢，借鑑國際成熟的GPO模式，通過整合旗下所有醫院醫療物資和非醫療物資的採購數量，與上游生產商、經銷商進行談判，從而顯著降低採購成本並形成醫院集團衍生收益。鑑於中國政府相關行業主管部門規定醫療機構採購藥品、醫用耗材均需執行醫療機構所在地政府行業主管部門制定的統一「中標價」，因此，本集團通過GPO模式獲得的醫院採購成本降低，並不能直接形成醫院運營收益，而是形成為本集團旗下GPO採購平台的收益，並構成本集團之醫院集團衍生收益。

(2) Physician company

Leveraging our hospital network, internal physicians and external renowned experts, the Group established a physician company called Beijing Easylife, in order to realize its scale advantage and utilize various medical resources. Certain specialty physician groups under Beijing Easylife such as ophthalmology, traumatology, anorectology, pain management and traditional Chinese medicine had already been established. By providing consultation to certain departments of our in-network hospitals, the physician company enhances its service scale and operating results, thereby sharing the increased profit of these departments. It is expected that our physician company business will expand to external hospitals and generate revenue accordingly.

We are planning to expand the scale of our physician company business, by gathering physicians from both in-network hospitals and external hospitals, and directly investing in mature physician companies, and evolving into an innovative business system with extensive professional disciplines, broad service scope and adequate specialists. Under our physician partnership, the Group provides internal and external professionals a platform to promote their individual values and realize their financial benefits, from which our Group will greatly benefit from competent human resources, promotion of operation standards, extension of service scope and enhancement of profitability.

(2) 醫生集團

本集團依托醫院集團網絡，為發揮規模優勢，實現學科資源共享，依托醫療機構網絡內醫師資源及網絡外知名專家資源設立了醫生集團公司－北京益生，並在北京益生下設立了眼科、創傷科、肛腸科、疼痛科和中醫科等多個專科醫生集團。專科醫生集團通過向網絡內醫院提供專項醫療技術諮詢服務，提升科室的業務規模和經營業績，從中分享相關增量收益，並計劃向網絡外醫院提供專項醫療技術諮詢服務並獲取收益。

醫生集團將通過組織網絡內醫生新建醫生集團、吸引網絡外醫生合建醫生集團及直接投資成熟的醫生集團等多種模式，擴大醫生集團的服務範圍和規模，形成專業覆蓋全、服務範圍廣、專科人才足的創新業務體系，以醫師合伙人制度為網絡內外專業人才提供個人價值的提升通道和變現平台，為本集團吸引人力資源、提升業務水平、擴大服務範圍、增長盈利能力。

(3) UCC (Urgent Care Clinic)

Featured with the organization structure of “horizontal integration of chains and vertical integration of linkage”, the Group has established the RIDS (Regional Integrated Delivery System) network leveraging the regional Grade III, Grade II, Grade I and in-network community clinics, thus establishing a new modernized clinic chain group, namely Beijing Phoenix Easylife Healthcare Clinical Management Co., Ltd. In order to increase local patients’ accessibility and affordability for healthcare services covered by the RIDS system, UCC makes reference to the service charge of public community clinics and adopts the national healthcare insurance as the principal payment method. Through the expanded coverage of community healthcare services and the establishment of multi-level diagnostic and treatment system, we have introduced high-quality healthcare resources into the community clinics. The Group has thus become the key access to multi-level diagnostic and treatment and the gatekeeper of residents’ health, which provides favorable pre-conditions for our development into the upstream and downstream sectors along the healthcare industry, such as medical insurance, rehabilitation, nursing and elderly care services.

(3) UCC (快捷診療診所Urgent Care Clinic)

本集團以「橫向連鎖，縱向聯動」為組織特色，依托區域內投資和管理的三級、二級、一級和社區醫療機構形成區域協作醫療體系RIDS (Regional Integrated Delivery System)網絡，建立了新型現代化連鎖診所集團－北京鳳凰益生全科診所管理有限公司。UCC以公立社區醫療機構服務價格為指導，以城鎮居民醫療保險為主要支付方式，以增加患者在RIDS體系覆蓋區域就醫的可及性與可支付性。通過社區醫療服務的普及和分級診療體系的建立，引導優質醫療資源下沉，成為分級診療的重要入口和居民健康的守門人，並為將來在醫療保險、康復護理、養老服務等產業鏈上下游延伸探索提供良好的先決條件。

(IV) INVESTMENT AND DEVELOPMENT STRATEGY

The year 2017 is a critical period when policies of deepening to divest auxiliary business from state-owned enterprises and healthcare reform converge are introduced. The “Work Notice on Accelerating to Divest Social Obligations and Historical Issues of State-owned Enterprises” (Guo Fa [2016] No.19) 《國務院關於印發加快剝離國有企業辦社會職能和解決歷史遺留問題工作方案的通知》(國發[2016]19號) issued by the State Council of the PRC clearly states that “medical, education, municipal, fire safety, community management and other institutions established by state-owned enterprises shall be categorized and be divested by various ways including transferring, merging, restructuring or introducing professional management, government procurement services”, which, or together with the centralized management, should be accomplished by the end of 2018”. As a professional investment operation platform of the healthcare industry which enjoys the integrated benefit of both status backed by state-owned enterprises and market-oriented mechanism, the Group will firmly grasp the historical opportunities arising from the merger and acquisition of state-owned hospitals. Leveraging the first-mover advantages and the leading position in the industry, the Group will speed up the merger and acquisition as well as integration relying on its strong capability in post-investment management and mature management system on hospital groups, with an aim to further consolidate the leading position of Chinese hospital groups and broaden the gap with its market competitors. Meanwhile, the Group will continue to make systematic improvements on the existing hospitals operation so as to constantly enhance the operation quality and efficiency of in-network hospitals and effectively increase the operating income and derived revenue of hospital groups. The main development strategies include:

(四) 投資與發展策略

2017年是中國政府進一步深化國企輔業剝離改革和公立醫院改革兩大打行業政策交匯的重要窗口期。國務院《關於印發加快剝離國有企業辦社會職能和解決歷史遺留問題工作方案的通知》(國發[2016]19號)明確指出：「對國有企業辦醫療、教育、市政、消防、社區管理等機構實行分類處理，採取移交、撤併、改制或專業化管理、政府購買服務等方式進行剝離」，以及「2018年年底完成企業辦醫療、教育機構的移交改制或集中管理工作」。本集團作為兼具央企主導背景和市場化機制的專業化醫療產業投資運營平台，將緊緊抓住國有醫院投資併購的歷史性機遇，充分發揮先發優勢和行業領先地位，依托強大的投後管理能力和成熟的醫院集團管控體系，加快併購整合，進一步鞏固中國醫院集團的領先地位並擴大與市場競爭者的領先距離。與此同時，本集團亦將對存量醫院進行持續的系統性改善，持續提升醫院集團運營質量和運營效率，有效提升醫院集團運營收益和醫院集團衍生收益，主要發展策略包括：

1. Focus on enhancing the standard of key disciplines

Based on our Group's six innovative clinical discipline development methodologies, including multi-level management of clinical disciplines, clinical human resources development, clinical academic development, clinical specialty disciplines development, clinical disciplines assessment and organization of clinical disciplines development, our Group fully utilizes its collective resources, and builds more clinical discipline platforms for internal medical experts, supports and duplicates our current key clinical disciplines. With the rapid development of all clinical disciplines across the Group, we will focus on the development of our clinical brand disciplines, such as brain surgery, cancer center, cardiovascular, minimal invasive surgery and ophthalmology, etc.

2. Focus on reform on hospitals of state-owned enterprises and public hospitals

Our Group continues to regard hospitals of state-owned enterprises and public hospitals in key developed regions with large population as our primary targets of merger and acquisition, by way of shareholder reform or IOT model. We will consolidate our competitive advantage in China's healthcare market, and further expand our business and realize economies of scale.

1. 聚焦重點學科建設水平提升

依託集團臨床學科梯級管理、臨床人才建設、臨床學術建設、臨床特色專科建設、臨床學科評價和臨床建設組織等六個集團化臨床建設創新體系，發揮集團化資源共享優勢，為集團醫務人員搭建更多臨床學科建設平台，扶持與複製既有重點臨床學科，在本集團臨床學科水平普遍快速提升的同時，建設集團腦科、腫瘤中心、心血管科、微創外科、眼科等集團臨床品牌學科。

2. 聚焦國有企業醫院和公立醫院改革

繼續以國有綜合醫院作為投資併購重點標的，以經濟發達、人口眾多的城市作為重點區域，以股份制改造和IOT模式作為基本模式，快速搶佔中國醫療健康產業發展的戰略高地，進一步擴大產業規模和規模經濟效應。

Management Discussion and Analysis 管理層討論與分析

3. Focus on developing of regional integrated delivery system (RIDS)

Healthcare services have typical regional attributes. In a relatively closed region with concentrated population, the medical insurance payment standards are usually identical. Our expansion, collectivized management and systematic development can only be realized by the integration of regional medical resources. Our Group will provide reliable, efficient, affordable and life-cycle healthcare services to the public by development of integrated healthcare services network, which consists of preliminary healthcare, treatment of acute disease, rehabilitation and nursing care. During the realization of effective allocation of medical resources, the dependence and loyalty of patients accumulates, which will enable long term and sound development of our Group.

4. Focus on developing high-quality industrial resources

Through establishing close partnership with medical schools, enterprises and external experts in various ways such as cooperation, joint venture and equity participation, the Group can exploit the resources advantage of its partners in areas such as technology, management, education, brand, talent and merger and acquisition, making a concerted effort in achieving a win-win situation. The Group plans to establish a flagship hospital within the next 5 years as CR Phoenix's technology and resources platform, integrating medical, scientific research, education and information services, so as to guide and coordinate the development of CR Phoenix's national resources and RIDS system, which would facilitate the overall enhancement of the Group's medical standards.

3. 聚焦區域分級診療體系RIDS建設

醫療服務具有典型的區域屬性，在相對固定的區域內，人口相對集中、醫保支付標準相對統一，規模化擴張、集團化管理、體系化發展必然依托於區域化醫療資源的整合來實現。本集團將通過建設由前端社區初級醫療保健、中端醫院重症診療和後端康復護理醫療三大系統組成的緊密型醫療服務網絡，為公眾提供有保障、有效率、可支付的、覆蓋全生命周期的醫療與健康服務，在實現醫療資源高效配置的同時，形成區域內患者的依賴性和忠誠度，實現醫院集團的長期穩健發展。

4. 聚焦優質產業資源培育

通過合作、合資、參股等多種形式與高等院校、合作企業、外部專家等建立緊密伙伴關係，充分發揮合作伙伴的技術、管理、教育、品牌、人才、併購等資源優勢，形成合力，實現共贏。本集團計劃在未來5年內打造一家旗艦醫院，作為華潤鳳凰集醫療、科研、教學、信息服務等為一體的頂級技術資源平台，引領和統籌華潤鳳凰全國資源和RIDS體系建設，支撐集團醫療水平的整體提升。

5. Focus on expanding international medical cooperation

In 2017, the Group will deepen cooperation with internationally-renowned medical institutions on basis of the academic cooperation with Peking University Healthcare Science Centre and other quality academic resources. Through cooperation in terms of brand, technology, talent and education among the international healthcare market, the Group will enhance the brand image, academic standard and service capability of our in-network hospitals. In addition, the Group will actively identify high-quality overseas merger and acquisition projects so as to seek opportunities of resources integration from the international healthcare industry and achieve synergy with our PRC operation.

6. Focus on enhancing core competitive edges

With over 30 years' practice in healthcare services market as private capital, the Group has developed its five major competences of "understanding policy, capturing opportunities, solving problems, innovation and integrating into the market", which gradually shaped our unique and overwhelming core competitive edges, mainly being embodied as follows:

- adhering to the initial vision and sustainable entrepreneurship. Pursuing the entrepreneurship from the beginning, the Group has always been adhering to its initial vision and sustainable entrepreneurship over the past 30 years. Following the reorganization of China Resources and our Company, we cherish the year 2017 as the first year of our second venture, indicating our committed entrepreneurship and unshaken will of pursuing to be a time-honored medical brand and a perpetually sustainable company.

5. 聚焦國際醫療合作拓展

2017年，本集團將在繼續深化與北京大學醫學部等國內優質醫療資源的學術合作的基礎上，進一步加快與國際知名醫療機構、醫學院校合作的步伐，通過面向國際醫療市場的品牌、技術、人才、教育等方面的合作，有效提升本集團旗下醫療機構的品牌形象、學術水平和服務能力。此外，本集團還將積極尋求海外優質併購項目，獲得國際健康產業的資源整合機會，並與中國業務形成有效協同。

6. 聚焦核心競爭能力提升

歷經近30年的社會資本辦醫之實踐積澱，本集團形成了「理解政策、把握機遇、解決問題、學習創新和融入市場」等五大能力，逐步形成了獨特和難以超越的核心競爭優勢，主要體現為：

- 堅持初心永遠創業的企業精神。本集團始於創業，善於創業，成於創業，30年來始終堅持初心永遠創業，更將華潤與鳳凰重組之後的2017年定義為再次創業元年，以昭示創業精神不變、追求百年醫療品牌和基業長青的矢志不渝。

Management Discussion and Analysis 管理層討論與分析

- organic integration of status backed by state-owned enterprises and market-oriented mechanism. The reorganization of China Resources and our Company achieved an effective upgrade of the Group's existing, highly effective and pragmatic market-oriented mechanism with the synergy of the brand, capital and industrial resources of large state-owned enterprises in China. This will significantly enhance the Group's core competitive edges including the capability in industrial merger and acquisition and resources integration.
 - operating capability of hospital groups accumulated over the past 30 years. The Group's operating capability was built upon the long-term practice in hospital operation and management, as well as the competent hierarchy of hospital operation and management talents, sophisticated, standardized and modularized hospital post-investment management system.
 - economies of scale and resources sharing within hospital groups. The Group established an operation system at the group level aiming to achieve economies of scale and resources sharing so as to carry out standardized management among in-network hospitals and pursue synergy. It aims at developing advantages in efficiency, quality and technology that outperforms individual hospitals, which in turn facilitate the flow of and sharing medical resources and management resources among in-network hospitals.
- 央企主導背景與市場機制的有機結合。華潤與鳳凰重組令本集團原有的市場化運行機制與中國大型央企的品牌、資本和產業資源實現有效疊加和互補，將顯著提升本集團包括產業併購、資源整合等能力在內的核心競爭優勢。
 - 30年實踐積澱形成的醫院集團運營能力。本集團運營能力源於長期醫院運營管理的實踐，以及優秀的醫院運營管理人才梯隊、成熟的標準化、模塊化醫院投後管理體系。
 - 基於醫院集團的規模效應與資源共享。本集團通過在集團層面建立起旨在最佳實現規模效應和資源共享的運營體系，對下屬醫療機構實施統一管理，在規模經濟的基礎上追求協同效益，創造了單體醫院難以比擬的效率、質量和技術優勢，形成了良性循環並促進醫療資源、管理資源在成員醫院中流動與共享。

On December 28, 2016, Dr. Fu Yuning, the honorary chairman of the Group and the chairman of CR Holdings, designated the philosophy of “benefit all with benevolence and competence” (“仁心仁術，康澤天下”) for the Group, which highlights the devotion to social responsibility. The Group will adhere to the fundamental pursuit of medical profession which are benevolence and fully integrate its advantages in brand, resources, experience and teamwork to improve the diagnosis and treatment, operating efficiency and service quality of the existing medical institution network and provide patients with high quality healthcare services. The Group will fully unleash its experience in public hospital reform to rapidly expand its market presence by exploring various key regions across China, develop a regional and integrated high quality collaborative healthcare system and expand the scale of the healthcare industry. The Group will uphold the philosophy of “facilitating the development of healthy China with the efforts of market and industry”. It adheres to the entrepreneurship strategy and constantly participates in the reform of public hospital system and institutions, aiming to achieve the goal of being a world-class healthcare group. Bearing the philosophy of establishing a time-honored brand and benefiting millions of people, the Group will also adhere to such benevolence together with the initial vision of entrepreneurship in pursuing excellence, thereby achieving a perpetually sustainable healthcare services business.

2016年12月28日，本集團榮譽主席、華潤集團董事長傅育寧博士為本集團確定了「仁心仁術，康澤天下」的理念。這傾注了履行社會責任的情懷。本集團將堅守「醫乃仁術」之根本追求，充分融合品牌、資源、經驗、團隊的優勢，提高現有醫療機構網絡的診療技術能力、運營效率和服務水平，向患者提供高品質的醫療健康服務。本集團將充分發揮集團參與公立醫院改革的經驗，迅速佈局，深耕全國各重點區域，構建優質高效的區域一體化協作醫療體系，擴大健康產業規模。本集團將「秉承以市場和產業的力量推動健康中國建設」的理念，堅持創業，持續參與公立醫療體系和機構的改革，向世界級醫療集團邁進。樹百年品牌，惠千萬百姓。本集團將堅守康澤天下的仁心，進取創業的初心，精益求精的匠心，永葆醫療服務事業基業長青。

Management Discussion and Analysis 管理層討論與分析

List of Medical Institutions under the Group's investment, management or contractual arrangement

集團投資、管理及簽約的醫療機構分佈表

Province	省份	Grade III Hospital 三級醫院	Grade II Hospital 二級醫院	Grade I Hospital 一級醫院	Community and Medical 社區和醫療診所	Total 合計
Beijing	北京	2	6	11	36	55
Hebei	河北	1	1			2
Jiangsu	江蘇		1			1
Anhui	安徽	1	6	13	5	25
Hubei	湖北	2		3	13	18
Guangdong	廣東	1			1	2
Total	合計	7	14	27	55	103

OPERATIONAL INDICATORS OF MEDICAL INSTITUTIONS MANAGED BY THE GROUP

During the Reporting Period, medical institutions managed by the Group (Jian Gong Hospital, Yan Hua Hospital, Jing Mei Hospital Group, Mentougou Hospital, Mentougou Traditional Chinese Medicine Hospital, Mentougou Hospital for Women and Children, Shunyi District Konggang Hospital, the Second Hospital of Shunyi District, Baoding Third Centre Hospital, Guangdong 999 Brain Hospital, Wugang Hospital Group, Huaikuang Hospital Group, Xukuang Hospital and 999 Clinic) achieved a total revenue of RMB5.926 billion, representing a year-on-year organic increase of 7.4% (The total revenue of above-mentioned medical institutions amounted to RMB5.518 billion in 2015).

The total revenue of medical institutions managed by the Group in Beijing for the healthcare operation amounted to RMB3.339 billion and the total number of patient visits was 5,160,136, representing a year-on-year increase of 9.8%. The number of inpatient visits amounted to 73,062, representing a year-on-year increase of 13.5%. The number of outpatient visits amounted to 5,087,074, representing a year-on-year increase of 9.7%. The average spending per inpatient visit amounted to RMB16,850, representing a year-on-year decrease of 1.2% whereas the average spending per outpatient visit amounted to RMB400, representing a year-on-year increase of 2.8%. The average length of stay was 16.29 days, representing a year-on-year decrease of 12.4%. The number of beds in operation was 3,750, representing a year-on-year increase of 2.1%. The bed utilization rate was 88.0%, representing a year-on-year increase of 1.1%.

集團旗下運營醫療機構業務指標

於報告期間，本集團投資管理的醫療機構（健宮醫院、燕化醫院、京煤集團總醫院、門頭溝區醫院、門頭溝區中醫醫院、門頭溝區婦幼保健院、順義區空港醫院、順義區第二醫院、保定市第三中心醫院、廣東三九腦科醫院、武鋼醫院集團、淮礦醫院集團、徐礦醫院、三九門診部）合計實現營業額人民幣59.26億元，內涵增長率7.4%（2015年上述醫療機構合計實現醫療業務收入人民幣55.18億元）。

本集團京內運營醫療機構合計實現營業額人民幣33.39億元，總就診人次5,160,136，同比增長9.8%；住院就診人次73,062，同比增長13.5%；門診就診人次5,087,074，同比增長9.7%；住院次均費用人民幣16,850元，同比下降1.2%；門診次均費用人民幣400元，同比增長2.8%；平均停留天數16.29日，同比下降12.4%；運營病床數量3,750張，同比增長2.1%；平均床位使用率88.0%，同比增長1.1%。

The total revenue of medical institutions managed by the Group outside Beijing for the healthcare operation amounted to RMB2.587 billion and the total number of patient visits was 2,613,837, representing a year-on-year increase of 1.6%. The number of inpatient visits amounted to 160,582, representing a year-on-year increase of 2.1%. The number of outpatient visits amounted to 2,453,255, representing a year-on-year increase of 1.6%. The average spending per inpatient visit amounted to RMB11,048, representing a year-on-year increase of 3.6%. The average spending per outpatient visit amounted to RMB286, representing a year-on-year decrease of 2.0%. The average length of stay was 11.56 days, representing a year-on-year decrease of 3.2%. The number of beds in operation was 6,134, representing a year-on-year increase of 1.4%. The bed utilization rate was 86.8%, representing a year-on-year decrease of 4.0%.

The following table sets forth the specific operating data of our medical institutions managed by the Group (Excluded physical examination):

本集團京外運營醫療機構合計實現營業額人民幣25.87億元，總就診人次2,613,837，同比增長1.6%；住院就診人次160,582，同比增長2.1%；門診就診人次2,453,255，同比增長1.6%；住院次均費用人民幣11,048元，同比增長3.6%；門診次均費用人民幣286元，同比下降2.0%；平均停留天數11.56日，同比下降3.2%；運營病床數量6,134張，同比增長1.4%；平均床位使用率86.8%，同比下降4.0%。

本集團運營醫療機構的具體運營數據如下表（不含體檢）：

1. Jian Gong Hospital

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	838,934	788,407	6.4%
Inpatient visits	住院就診人次	times	人次	11,943	11,689	2.2%
Outpatient visits	門診就診人次	times	人次	826,991	776,718	6.5%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	17,969	19,177	(6.3)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	454	438	3.7%
Average length of stay	平均停留天數	day	日	9.5	9.5	0.0%
Number of beds in operation	運營病床數量	bed	張	396	407	(2.7)%

1. 健宮醫院

2. Yan Hua Hospital

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	1,003,933	953,279	5.3%
Inpatient visits	住院就診人次	times	人次	17,921	16,103	11.3%
Outpatient visits	門診就診人次	times	人次	986,012	937,176	5.2%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	16,883	16,817	0.4%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	487	467	4.3%
Average length of stay	平均停留天數	day	日	14.0	15.1	(7.3)%
Number of beds in operation	運營病床數量	bed	張	663	663	0.0%

2. 燕化醫院

Management Discussion and Analysis

管理層討論與分析

3. Jing Mei Hospital Group

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	1,249,674	1,119,488	11.6%
Inpatient visits	住院就診人次	times	人次	24,802	21,302	16.4%
Outpatient visits	門診就診人次	times	人次	1,224,872	1,098,186	11.5%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	17,884	17,956	(0.4)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	443	427	3.7%
Average length of stay	平均停留天數	day	日	24.9	31.1	(19.9)%
Number of beds in operation	運營病床數量	bed	張	1,789	1,742	2.7%

3. 京煤集團總醫院

4. Mentougou Hospital

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	717,410	654,241	9.7%
Inpatient visits	住院就診人次	times	人次	11,459	10,036	14.2%
Outpatient visits	門診就診人次	times	人次	705,951	644,205	9.6%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	17,757	17,207	3.2%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	367	343	7.0%
Average length of stay	平均停留天數	day	日	11.9	12.1	(1.7)%
Number of beds in operation	運營病床數量	bed	張	466	466	0.0%

4. 門頭溝區醫院

5. Mentougou Traditional Chinese Medicine Hospital

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	568,895	520,167	9.4%
Inpatient visits	住院就診人次	times	人次	1,961	1,585	23.7%
Outpatient visits	門診就診人次	times	人次	566,934	518,582	9.3%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	11,871	10,441	13.7%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	347	347	0.0%
Average length of stay	平均停留天數	day	日	14.2	14.0	1.4%
Number of beds in operation	運營病床數量	bed	張	120	120	0.0%

5. 門頭溝區中醫醫院

6. Mentougou Hospital for Women and Children

6. 門頭溝區婦幼保健院

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	146,499	123,409	18.7%
Inpatient visits	住院就診人次	times	人次	1,292	687	88.1%
Outpatient visits	門診就診人次	times	人次	145,207	122,722	18.3%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	5,471	3,975	37.6%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	236	227	4.0%
Average length of stay	平均停留天數	day	日	5.7	6.1	(6.6)%
Number of beds in operation	運營病床數量	bed	張	48	27	77.8%

7. Shunyi District Konggang Hospital

7. 順義區空港醫院

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	491,926	406,564	21.0%
Inpatient visits	住院就診人次	times	人次	3,222	2,695	19.6%
Outpatient visits	門診就診人次	times	人次	488,704	403,869	21.0%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	10,743	10,015	7.3%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	227	234	(3.0)%
Average length of stay	平均停留天數	day	日	10.2	11.3	(9.7)%
Number of beds in operation	運營病床數量	bed	張	168	149	12.8%

8. The Second Hospital of Shunyi District

8. 順義區第二醫院

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	142,865	134,294	6.4%
Inpatient visits	住院就診人次	times	人次	462	306	51.0%
Outpatient visits	門診就診人次	times	人次	142,403	133,988	6.3%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	4,135	4,964	(16.7)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	258	249	3.6%
Average length of stay	平均停留天數	day	日	8.5	9.1	(6.6)%
Number of beds in operation	運營病床數量	bed	張	100	100	0.0%

Management Discussion and Analysis

管理層討論與分析

9. Baoding Third Centre Hospital

9. 保定市第三中心醫院

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	37,368	33,828	10.5%
Inpatient visits	住院就診人次	times	人次	3,253	3,415	(4.7)%
Outpatient visits	門診就診人次	times	人次	34,115	30,413	12.2%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	12,865	13,979	(8.0)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	295	281	5.0%
Average length of stay	平均停留天數	day	日	16.2	16.3	(0.6)%
Number of beds in operation	運營病床數量	bed	張	243	243	0.0%

10. Guangdong 999 Brain Hospital

10. 廣東三九腦科醫院

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	218,167	201,224	8.4%
Inpatient visits	住院就診人次	times	人次	25,331	25,427	(0.4)%
Outpatient visits	門診就診人次	times	人次	192,836	175,797	9.7%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	26,933	24,032	12.1%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	832	776	7.2%
Average length of stay	平均停留天數	day	日	14.4	14.7	(2.0)%
Number of beds in operation	運營病床數量	bed	張	779	776	0.4%

11. Wugang Hospital Group

11. 武鋼醫院集團

		Unit	單位	2016 2016年	2015 2015年	Change 增幅
Patient visits	就診人次	times	人次	1,016,745	1,031,169	(1.4)%
Inpatient visits	住院就診人次	times	人次	53,739	54,831	(2.0)%
Outpatient visits	門診就診人次	times	人次	963,006	976,338	(1.4)%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	8,653	7,989	8.3%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	266	295	(9.8)%
Average length of stay	平均停留天數	day	日	11.4	11.7	(2.6)%
Number of beds in operation	運營病床數量	bed	張	1,877	1,868	0.5%

12. Huaikuang Hospital Group

12. 淮礦醫院集團

				2016	2015	Change
		Unit	單位	2016年	2015年	增幅
Patient visits	就診人次	times	人次	1,192,499	1,172,975	1.7%
Inpatient visits	住院就診人次	times	人次	61,876	57,848	7.0%
Outpatient visits	門診就診人次	times	人次	1,130,623	1,115,127	1.4%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	7,062	7,783	(9.3)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	206	209	(1.4)%
Average length of stay	平均停留天數	day	日	10.6	11.0	(3.6)%
Number of beds in operation	運營病床數量	bed	張	2,735	2,765	(1.1)%

13. Xukuang Hospital

13. 徐礦醫院

				2016	2015	Change
		Unit	單位	2016年	2015年	增幅
Patient visits	就診人次	times	人次	129,888	111,342	16.7%
Inpatient visits	住院就診人次	times	人次	16,383	15,767	3.9%
Outpatient visits	門診就診人次	times	人次	113,505	95,575	18.8%
Average spending per inpatient visit	住院次均費用	RMB	人民幣元	9,039	8,183	10.5%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	340	359	(5.3)%
Average length of stay	平均停留天數	day	日	10.4	10.9	(4.6)%
Number of beds in operation	運營病床數量	bed	張	500	400	25.0%

14. 999 Clinic

14. 三九門診部

				2016	2015	Change
		Unit	單位	2016年	2015年	增幅
Patient visits	就診人次	times	人次	19,170	22,300	(14.0)%
Outpatient visits	門診就診人次	times	人次	19,170	22,300	(14.0)%
Average spending per outpatient visit	門診次均費用	RMB	人民幣元	174	183	(4.9)%

MAJOR RISKS AND UNCERTAINTIES BEING FACED BY THE GROUP

1. Merger and acquisition integration risk

With nearly 30 years of track record and the merger and acquisition integration of various state-owned hospitals, the Group has formed a unique and effective post-investment management system. The system has basic characteristics, which aims to achieve effective control and integration while implementing ongoing systematic improvements on invested hospitals. This involves a series of works such as basic management, financial, information and supply chain management, medical quality management as well as marketing and public relations. In particular, the assessment system is improved and the salary performance reform of medical staff is promoted through scientific incentives, which enables the Group to focus on healthcare services and improve patient experience as well as healthcare quality, thereby facilitating the benign cycle development of its business. With the above measures, our in-network hospitals achieved multi-win results among the government, the public and employees, which effectively mitigated the merger and acquisition integration risk.

2. Medical malpractice risk

The Group has always adopted the JCI standards for internal management, strengthened the implementation of medical quality management within hospitals, and signed liability statement for medical quality objectives with discipline heads. The Group also makes efforts in the implementation of core healthcare management system and puts the management of patients with critical conditions in the first place. Meanwhile, the Group strengthens the management of hospital-patient relationship and emphasizes the communication with relevant media to reduce negative impacts. By implementing stringent management of medical quality and patient safety, all hospitals did not have any material incidents of medical malpractice during the Reporting Period.

集團面臨的主要風險及不確定性

1. 併購整合風險

本集團通過近三十年的發展歷程和多家國有醫院併購整合實踐，形成了獨特的和卓有成效的投後管理體系，該體系的基本特徵是，在實現有效的控制和融合的基礎上，對被投醫院實施持續的系統性的改進，包括基礎管理、財務管理、信息化管理、供應鏈管理、醫療質量管理、市場與公共關係等一系列的工作。特別是利用科學的激勵手段，完善考評體系，推動醫護人員的薪酬績效改革，使其專注醫療服務本身，提高患者服務體驗和醫療質量，最終形成業務的良性循環發展。本集團所參與併購整合的醫院，均通過上述舉措實現了政府、社會公眾、醫院員工多方共贏的結果，有效降低了併購整合的風險。

2. 醫療糾紛風險

本集團一直以JCI標準為內部管理要求，在醫院內部加強實施醫療質量管理，與學科負責人簽署醫療質量目標責任書，抓核心醫療制度的落實，把重危病人管理放到首位。本集團同時加強醫患關係管理，注重與相關媒體的溝通，降低負面影響。通過嚴格的醫療質量和患者安全管理，於報告期間各醫院均未發生重大醫療事故。

FINANCIAL REVIEW

Segment Revenue

We derived revenue from our hospital and clinic network through the following four ways: (i) general healthcare services provided by Jian Gong Hospital and 999 Clinic, (ii) hospital management and consulting services where we manage and collect consulting/management fees from our not-for-profit hospitals/IOT hospitals and clinics, and the collective management of the Group's supply chain business, (iii) integrating purchase of medical supplies and non-medical supplies of affiliated hospitals (GPO business), and (iv) other hospital-derived services such as specialized medical consulting services.

General healthcare services

Revenue from our general healthcare services segment is derived from general healthcare services provided at Jian Gong Hospital and 999 Clinic. General healthcare services revenue mainly consists of fees generated from the provision of outpatient and inpatient services, including fees for healthcare services, pharmaceuticals, medical devices and medical consumables. The following table sets out the revenue, cost of sales and services and gross profit contributed by our general healthcare services segment during the periods indicated:

		Year ended December 31, 截至12月31日止年度	
		2016	2015
		2016年	2015年
		(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)
Revenue	收益	600,892	575,634
Cost of sales and services	銷售及服務成本	(512,598)	(485,049)
Gross profit	毛利	88,294	90,585

Revenue from our general healthcare services segment reached RMB601 million, representing a year-on-year increase of 4.4% and accounted for 39.2% of our total revenue in FY2016 due to increase in total patient visits and average spending per outpatient visit of Jian Gong Hospital.

財務回顧

分支收益

本集團透過以下四種方式從本集團的醫院及診所網絡獲取收益：(i)於健宮醫院及三九門診部提供的綜合醫療服務，(ii)管理本集團舉辦的非營利性醫院／IOT醫院及診所並收取顧問服務費／管理費，以及集團化供應鏈管理業務，(iii)整合旗下醫院醫療物資和非醫療物資形成的集中採購業務（GPO業務），及(iv)開展專項醫療技術諮詢等其他醫院衍生服務。

綜合醫療服務

本集團綜合醫療服務分支的收益來自健宮醫院以及三九門診部提供的綜合醫療服務。綜合醫療服務收益主要包括提供門診和住院服務所產生的收費，包括醫療服務、藥品、醫療器械及醫用耗材收費。下表載列本集團綜合醫療服務分支於所示期間的收益、銷售及服務成本以及毛利：

本集團綜合醫療服務分支的收益達到人民幣6.01億元，佔本集團2016年財年總收益的39.2%，按年增加4.4%，主要原因為健宮醫院病人就診總人次及門診次均診費增加。

Management Discussion and Analysis 管理層討論與分析

The cost of sales and services of our general healthcare services represents primarily costs of provision of healthcare services at Jian Gong Hospital and 999 Clinic, including costs of pharmaceuticals, medical devices and medical consumables, staff costs, and depreciation and amortization expenses.

During the Reporting Period, the cost of sales and services of general healthcare services grew to RMB513 million, representing a year-on-year increase of 5.7% which slightly surpassed the growth rate of revenue. This was mainly attributable to the higher costs of staff remuneration and medical consumables by Jian Gong Hospital. As a result, the gross profit margin of our general healthcare services slightly declined to 14.7% (FY2015: 15.7%).

Hospital management and consulting services

We managed and operated a total of 100 not-for-profit hospitals, of which not-for-profit hospitals with sponsorship rights amounted to 45 in total, and a total of 55 hospitals managed and operated under the IOT model in FY2016. In return, we were entitled to receive from each hospital or the hospital sponsors consulting/management fees, primarily calculated on the basis of percentage of revenue and/or net income generated by the hospitals and clinics under our management. Accordingly, the consulting/management fees we receive depends on the performance of such hospital and clinic. For certain hospitals, our management fees are dependent on profitability and performance reviews.

本集團綜合醫療服務的銷售及服務成本主要為在健宮醫院和三九門診部提供醫療服務的成本，包括藥品、醫療器械及醫用耗材成本、員工成本及折舊和攤銷費用。

於報告期間，綜合醫療服務分支的銷售及服務成本增加至人民幣5.13億元，按年增加5.7%，略超過收益率的增幅，此乃主要由於健宮醫院耗材成本增加和提高員工薪酬水準所致。因此，綜合醫療服務的毛利率略降至14.7%（2015年財年：15.7%）。

醫院管理及諮詢服務

於2016年財年，本集團管理和運營的非營利性醫院總計100家，其中擁有舉辦權的非營利性醫院總計45家，以及依照IOT模式管理和營運的醫院總計55家。作為回報，本集團有權向各家醫院或醫院舉辦人收取顧問服務費／管理費，顧問服務費／管理費主要依據管理醫院和診所的收益及／或收支結餘的百分比計算。因此，本集團獲取的顧問服務費／管理費取決於有關醫院及診所的表現。對於特定醫院，本集團的管理費取決於盈利能力和績效審核。

Management Discussion and Analysis 管理層討論與分析

Besides, according to the agreement between the Group and Hong Hui, the Group derived corresponding economic benefits by granting Hong Hui the priority to supply to the Group's three in-network hospitals and provide collectivized management of supply chain services.

The following table sets out the revenue, cost of sales and services, gross profit and other income of our hospital management and consulting services segment during the periods indicated:

以及，根據本集團與紅惠訂立的協議，本集團授予紅惠向本集團旗下3家醫院供應藥品的優先權及提供集團化供應鏈管理服務，並獲取相應經濟收益。

下表載列本集團醫院管理及諮詢服務分支於所示期間的收益、銷售及服務成本、毛利及其他收益：

		Year ended December 31, 截至12月31日止年度	
		2016	2015
		2016年	2015年
		(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)
Revenue	收益	116,386	72,112
Cost of sales and services	銷售及服務成本	(18,662)	(17,389)
Gross profit	毛利	97,724	54,723
Other income	其他收益	50,399	48,640
Total	合計	148,123	103,363

Revenue from our hospital management and consulting services segment increased to RMB116 million, representing a year-on-year increase of 61.4% and accounted for 7.6% of our total revenue in FY2016. This was mainly attributable to the 2 months' management fee income of our hospitals as a result of the acquisition of Ample Mighty and the increase of the management fee income of hospitals managed under the IOT model.

來自本集團醫院管理及諮詢服務分支的收益增加至人民幣1.16億元，佔本集團2016年財年總收益的7.6%，按年增長61.4%，主要原因為併購廣雄帶來旗下醫院2個月顧問服務費收入，以及IOT管理醫院管理費收入增加。

		Year ended December 31, 截至12月31日止年度	
		2016	2015
		2016年	2015年
		(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)
Not-for-profit hospitals with sponsorship rights	擁有舉辦權的非營利性醫院	21,569	-
Hospitals managed under the IOT model	依照IOT模式管理的醫院	94,817	72,112
Total	合計	116,386	72,112

Management Discussion and Analysis 管理層討論與分析

Our not-for-profit hospitals with sponsorship rights include Guangdong 999 Brain Hospital, Huaikuang Hospital Group, Xukuang Hospital and Wugang Hospital Group. Following the completion of the acquisition of Ample Mighty on October 31, 2016, we recorded consulting fee income from Guangdong 999 Brain Hospital, Huaikuang Hospital Group and Xukuang Hospital of Ample Mighty for the two-month period from November 1 to December 31, 2016 amounting to RMB21.57 million.

Our hospitals managed under the IOT model include Yan Hua Hospital Group, Jing Mei Hospital Group, Mentougou Hospital Group, Mentougou Traditional Chinese Medicine Hospital, Mentougou Hospital for Women and Children, Shunyi District Konggang Hospital, the Second Hospital of Shunyi District and Baoding Third Center Hospital. In 2016, the management fees of hospitals managed and operated under the IOT model amounted to RMB94.82 million, representing an increase of RMB22.71 million or 31.5% as compared to FY2015 as follows:

1. The management fee from Jing Mei Hospital Group was RMB42.06 million, representing an increase of RMB15.66 million over FY2015. This was mainly due to the significantly increased patient visits and higher average spending per patient visit to the hospital as a result of the commissioning of new equipment and the opening of new in-patient building, which contributed to increased revenue and gross profit. Meanwhile, with the further promotion of the delicacy management, the enhanced cost control has contributed to the significant increase in net profit before tax, which in turn greatly increased our management fees.
2. The management fee from Yan Hua Hospital Group was RMB35.80 million, representing an increase of RMB4.03 million over FY2015. In 2016, the number of total patient visits at Yan Hua Hospital Group increased as compared to FY2015 whereas the average spending per outpatient and inpatient visit remained stable with a relatively stable gross profit margin, the gross profit therefore increased. Yan Hua Hospital Group also successfully and effectively controlled its operating expenses and other costs, thereby leading to an increase in net profit before tax, which in turn increased our management fees.

本集團擁有舉辦權的非營利性醫院包括三九腦科醫院、淮礦醫院集團、徐礦醫院及武鋼醫院，於2016年10月31日廣雄並購完成後，錄得廣雄旗下三九腦科醫院、淮礦醫院集團、徐礦醫院2016年11月至12月兩個月的顧問服務費收入合計人民幣2,157萬元。

本集團依照IOT模式管理的醫院包括燕化醫院集團、京煤醫院集團、門頭溝區醫院、門頭溝區中醫醫院、門頭溝區婦幼保健院、順義區空港醫院、順義區第二醫院和保定第三中心醫院。2016年依照IOT模式管理和營運的醫院管理費為人民幣9,482萬元，較2015年財年增加人民幣2,271萬元，按年增加31.5%。其中：

1. 來自京煤醫院集團的管理費為人民幣4,206萬元，較2015年財年增加人民幣1,566萬元，主要是由於該醫院隨著新設備和新病房樓的啟用，病人就診人次及次均診費均明顯增加，令收益及毛利上升；同時隨著精細化管理理念的深入推進，成本控制能力也在增強令其除稅前淨利潤顯著增加，從而使本集團的管理費亦明顯增加。
2. 來自燕化醫院集團的管理費為人民幣3,580萬元，較2015年財年增加人民幣403萬元。燕化醫院集團2016年接待的病人就診總人次和出院人次較2015年財年有所增加，次均門診費及次均住院費用基本持平，且毛利率較為穩定，故毛利有所增加。此外，燕化醫院集團亦成功地有效控制其營運費用及其他成本，稅前淨利潤增加從而使本集團的管理費有所增加。

3. The total management fee from Shunyi District Konggang Hospital, the Second Hospital of Shunyi District and Baoding Third Center Hospital amounted to RMB5.54 million (FY2015: Nil). Shunyi District Konggang Hospital and the Second Hospital of Shunyi District have only generated management fee income since 2016 as both of them were newly invested IOT hospitals in 2015. Baoding Third Center Hospital was newly invested in September, 2016, which has generated management fee income for three months.
4. The total management fee from Mentougou Hospital, Mentougou Traditional Chinese Medicine Hospital and Mentougou Hospital for Women and Children was RMB11.42 million, representing a decrease of RMB2.52 million over FY2015. On April 28, 2016, the Group signed the “2016-2020 Cooperation Agreement for reform and development of Public Medical Institutions in Mentougou of Beijing” (《關於北京市門頭溝區公立醫療機構2016-2020年改革發展合作協定》) with Beijing Mentougou People’s Government. The calculation method of management fee has been changed, which had a negative impact on the management fee income in 2016. Both the total patient visits and average spending per inpatient visit increased at the hospitals, which led to an increase in both revenue and gross profit margin with satisfactory operations.
3. 來自順義區空港醫院、順義區第二醫院、保定第三中心醫院的管理費合計為554萬(2015年財年：零)。由於順義區空港醫院、順義區第二醫院是2015年投資增加的IOT醫院，2016年才開始產生管理費收入。保定第三中心醫院是2016年9月新投資，產生三個月管理費收入。
4. 來自門頭溝區醫院、門頭溝區中醫院、門頭溝區婦幼保健院的管理費為人民幣1,142萬元，較2015年財年減少人民幣252萬元。本集團於2016年4月28日與北京市門頭溝區人民政府簽署了「關於北京市門頭溝區公立醫療機構2016-2020年改革發展合作協定」，政府購買管理服務報酬計算方法發生變化，對2016年管理費收入有所影響。該等醫院接待的病人就診總人次及次均住院費用均有所增加，致使收入及毛利增加，業務運營良好。

The cost of sales and services of the Group’s hospital management services were the amortization of operating rights under IOT agreements, amounting to RMB18.66 million in FY2016, representing a year-on-year increase of 7.3% due to (i) the first full year amortization for the investment of RMB100 million in Shunyi District Konggang Hospital and the Second Hospital of Shunyi District in July 2015, and (ii) the three-month amortization during the year for the investment of RMB32 million in Baoding Third Center Hospital in September 2016.

Due to the acquisition of Ample Mighty, the higher gross profit margin of newly organized not-for-profit hospitals of the Group and the growth in revenue outpaced the increase in cost of sales and services, the gross profit margin of the hospital management services segment of the Group significantly improved to 84.0% (FY2015: 75.9%).

本集團的醫院管理服務的銷售及服務成本為IOT管理權攤銷費用，2016年為人民幣1,866萬元，按年增加7.3%，原因是(i)2015年7月於北京順義區空港醫院及順義區第二醫院投資人民幣1.0億元首次作出全年攤銷及(ii)於2016年9月於保定第三中心醫院的投資人民幣3,200萬元年內攤銷3個月。

由於收購廣雄事項，本集團新增舉辦的非營利性醫院毛利率較高，收益的增幅超過銷售及服務成本的增幅，故本集團的醫院管理服務分支的毛利率大幅上升至84.0% (2015年財年：75.9%)。

Management Discussion and Analysis

管理層討論與分析

GPO business

Revenue from our GPO business segment is primarily derived from integrating purchase of medical supplies and non-medical supplies of our in-network hospitals. The following table sets out the revenue, cost of sales and services and gross profit of our GPO business segment during the periods indicated:

GPO業務

本集團的GPO業務分支的收益主要來自整合旗下醫院醫療物資和非醫療物資形成的集中採購業務。下表載列本集團業務分支於所示期間的收益、銷售及服務成本以及毛利：

		Year ended December 31, 截至12月31日止年度	
		2016	2015
		2016年	2015年
		(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)
Revenue (before inter-segment elimination)	收益(經分支間對銷前)	1,011,334	925,442
Cost of sales and services	銷售及服務成本	(791,825)	(741,168)
Gross profit	毛利	219,509	184,274

Revenue from the GPO business segment of the Group (before inter-segment elimination) increased to RMB1,011 million, representing an increase of 9.3% over FY2015. After the inter-segment revenue from sales to Jian Gong Hospital in the amount of RMB201 million was eliminated against total revenue, the revenue from our GPO business segment accounted for 52.9% of our total revenue in FY2016.

The cost of sales and services of the GPO business segment of the Group represents the procurement costs of purchasing medical supplies and non-medical supplies from upstream manufacturers and distributors. In FY2016, the cost of sales and services generated from the Group's GPO business segment amounted to RMB792 million, representing a year-on-year increase of 6.8% over FY2015.

本集團的GPO業務分支的收益(經分支間對銷前)增長至人民幣10.11億元,較2015年財年增加9.3%。將健宮醫院銷售所得的分支收益人民幣2.01億元錄作分支間收益對銷後,本集團GPO業務分支的收益佔本集團於2016年財年總收益的52.9%。

本集團GPO業務分支的銷售及服務成本為從上游生產商、經銷商購進醫療物資及非醫療物資的採購成本。本集團GPO業務分支2016年度產生的銷售及服務成本為人民幣7.92億元,較2015年財年按年增加6.8%。

In FY2016, due to better cost control, the gross profit margin of the GPO business segment of the Group increased to 21.7% (FY2015: 19.9%).

Other hospital-derived services

Revenue from the other hospital-derived services segment of the Group in 2016 was primarily derived from the provision of advisory services on specialized medical technology to business cooperators based on our hospital network resources.

The following table sets out the revenue, cost of sales and services and gross profit of our other hospital-derived services segment during the periods indicated:

		2016 2016年 (RMB'000) (人民幣千元)	2015 2015年 (RMB'000) (人民幣千元)
Revenue	收益	5,043	—
Cost of sales and services	銷售及服務成本	(3,937)	—
Gross profit	毛利	1,106	—

Revenue from the other hospital-derived services segment of the Group reached RMB5.04 million, accounting for 0.3% of our total revenue in FY2016. The cost of sales and services of the other hospital-derived services segment of the Group mainly represents labour costs.

Gross Profit

In FY2016, the gross profit of the Group amounted to RMB407 million in aggregate, representing a year-on-year increase of 23.4%. Due to the relatively significant increase in profit and gross profit margin contributed by the Group's hospital management services segment and GPO business segment, the aggregate gross profit margin increased to 26.5% (FY2015: 24.0%).

於2016年財年，受益於GPO業務採購成本控制較優，本集團GPO業務分支的毛利率上漲至21.7%（2015年財年：19.9%）。

其他醫院衍生服務

本集團2016年度其他醫院衍生服務分支的收益主要來自依託本集團醫療機構網絡資源向合作單位提供專項醫療技術諮詢服務所獲取的收益。

下表載列本集團其他醫院衍生服務分支於所示期間的收益、銷售及服務成本以及毛利：

本集團其他醫院衍生服務分支的收益達到人民幣504萬元，佔本集團2016年財年總收益的0.3%。本集團其他醫院衍生服務分支的銷售及服務成本主要為勞務成本。

毛利

於2016年財年，本集團的總毛利達到人民幣4.07億元，按年增長23.4%。主要受益於本集團醫院管理服務分支及GPO業務分支的收益貢獻及毛利率均有較大增長，故總毛利率增長至26.5%（2015年財年：24.0%）。

Management Discussion and Analysis

管理層討論與分析

Other Income

Other income amounted to RMB93.18 million, representing a year-on-year decrease of 6.0%, mainly due to the decrease in interest on bank deposits and investment income from financial products.

Other Gains and Losses

Other losses amounted to RMB1,729 million, predominantly due to the one-off goodwill impairment of RMB1,727 million resulted from the acquisition of Ample Mighty. The impairment loss on goodwill was purely an accounting treatment as required under the IFRSs and was a non-cash one-time profit or loss item in the income statement which will have no impact on the Group's daily operations and cash flow. For details, please refer to the Company's announcement dated January 25, 2017.

Selling and Distribution Expenses

The Group's selling and distribution expenses amounted to RMB24.13 million, representing a year-on-year increase of 127.5%, primarily due to the increase in staff costs.

Administrative Expenses

The administrative expenses incurred by the Group amounted to RMB148 million, representing a year-on-year increase of 6.2%, primarily due to the increase in staff costs.

Other Expenses

Other expenses amounted to approximately RMB35.63 million, which was mainly comprised of the professional consulting service charges of RMB30.06 million incurred in relation to CR Healthcare Group and CITIC Medical restructuring projects in 2016.

Our expense on donation was RMB5 million, of which RMB2 million and RMB3 million were incurred by Peking University Education Foundation and Beijing Phoenix Healthcare Charity Fund, respectively.

Income Tax Expense

In FY2016, the Group's loss before tax amounted to RMB1,452 million. Excluding the goodwill impairment of RMB1,727 million resulted from the acquisition of Ample Mighty, the profit before tax amounted to RMB275 million, representing an increase of 10.9% as compared to the corresponding period of 2015. Nevertheless, with the increase in income that is not taxable for PRC enterprise income tax, the profit before tax amounted to approximately RMB47.33 million, representing a decrease of 37.4% from FY2015.

其他收入

其他收入為人民幣9,318萬元，按年降低6.0%，主要原因為來自銀行存款的利息及理財投資收入有所下降。

其他收益及虧損

其他虧損為人民幣17.29億，主要為收購廣雄事項引致一次性商譽減值人民幣17.27億。該商譽減值虧損純粹為按照國際會計準則規定會計處理值結果，且收益表中之非現金一次性損益專案，對本集團之日常營運及現金流概無影響。詳見本公司日期為2017年1月25日之公告。

銷售及分銷費用

本集團的銷售及分銷費用為人民幣2,413萬元，按年增長127.5%，主要由於僱員成本上升。

行政開支

本集團產生的行政開支為人民幣1.48億元，按年增加6.2%，主要由於僱員成本上升。

其他費用

其他費用約為人民幣3,563萬元，其中包括華潤醫療集團和中信醫療項目產生的重組專業顧問費支出合計人民幣3,006萬元。

捐贈支出人民幣500萬元，其中：北京大學教育基金會人民幣200萬元，北京鳳凰健康公益基金會人民幣300萬元。

所得稅費用

2016年財年本集團稅前虧損人民幣14.52億元，剔除收購廣雄事項產生的商譽減值人民幣17.27億元後的稅前利潤為人民幣2.75億，雖較2015年同期增長10.9%，但因可以免除中國企業所得稅收入增加，所得稅費用支出約為人民幣4,733萬元，較2015年財年減少37.4%。

Net Profit

In FY2016, loss attributable to shareholders amounted to RMB1,507 million. Excluding two major non-recurring profit or loss items (i.e. the one-time goodwill impairment of RMB1,727 million resulted from the acquisition of Ample Mighty and the professional consulting service charges of RMB30.06 million incurred by China Resources and CITIC Medical restructuring projects in 2016), the profit attributable to shareholders amounted to RMB250 million, representing an increase of 28.9% as compared to the net profit for FY2015 (excluding non-recurring profit or loss items), which was mainly attributable to the increase in profit from hospital management services and GPO business.

Net Current Assets Position

As at December 31, 2016, the net current assets position of the Group was RMB902 million (December 31, 2015: RMB904 million) with no significant change.

Liquidity And Capital Resources

Set forth below are the information from our Group's consolidated statement of cash flows during the periods indicated:

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2016年財年股東應佔虧損為人民幣15.07億元，剔除兩項主要非經常性損益項目後，即收購廣雄事項引致一次性商譽減值人民幣17.27億元以及2016年華潤和中信醫療項目產生的重組專業顧問費用人民幣3,006萬，股東應佔利潤為人民幣2.50億元，較2015年財年剔除非經常性損益項目後的淨利潤上升28.9%，主要受益於醫院管理服務及GPO業務的利潤增加。

流動資產淨額狀況

於2016年12月31日，本集團的流動資產淨額為人民幣9.02億元（2015年12月31日：人民幣9.04億元），無重大變化。

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資料：

		Year ended December 31, 截至12月31日止年度	
		2016 2016年 (RMB'000) (人民幣千元)	2015 2015年 (RMB'000) (人民幣千元)
Net cash generated from operating activities	經營活動所得現金淨額	223,788	231,702
Net cash generated from investing activities	投資活動所得現金淨額	120,405	29,766
Net cash used in financing activities	融資活動所用現金淨額	(98,605)	(48,992)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	245,588	212,476

Management Discussion and Analysis 管理層討論與分析

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

The Directors confirmed that as at the date of this annual report, there are no current plans to acquire any material investment or capital assets other than in the Group's ordinary course of business.

Net Cash Generated from Operating Activities

During FY2016, the net cash generated from operating activities was RMB223.8 million, no significant change as compared to FY2015.

Net Cash Generated from Investing Activities

During FY2016, the net cash generated from investing activities was RMB120 million, which was mainly attributable to the consolidation of Ample Mighty's cash amounting to RMB101 million resulted from the acquisition of Ample Mighty in October, 2016, investment recovery from financial assets of RMB91.77 million, repayment of investments of RMB14.81 million from IOT hospitals and clinics under the IOT agreements, expenditure on purchase of fixed assets of RMB42.45 million, investment of RMB32 million in Baoding Third Center Hospital, and expenditure on investment in JV Company of RMB15 million.

Net Cash Used in Financing Activities

During FY2016, the net cash used in financing activities was RMB98.61 million, which was mainly attributable to payment of dividends in the amount of RMB83.11 million, and repayments to the sponsored hospitals amounting to RMB15.96 million.

Significant Investments, Acquisitions and Disposals, Investments in and Receivables from JV Company and Subsequent Plans for Material Capital Investments

As of December 31, 2016, the Group's balance of short-term investments was approximately RMB66.4 million, all of which were short-term financial products operated by banks.

未來重大投資或資本資產計劃

董事確認，於本年報日期，目前並無計劃收購任何重大投資或資本資產，惟循本集團日常業務進行者除外。

經營活動所得現金淨額

於2016年財年，經營活動所得現金淨額為人民幣2.238億元，較2015年財年相比無重大變化。

投資活動所得現金淨額

於2016年財年，投資活動所得現金淨額為人民幣1.20億元，主要歸因於2016年10月廣雄收購事項併入廣雄現金人民幣1.01億元，金融產品投資收回人民幣9,177萬元，收到IOT協議項下的IOT醫院及診所償還投資人民幣1,481萬元，購置固定資產支出人民幣4,245萬元。於保定市第三中心醫院投資人民幣3,200萬元及對合營公司的投資支出人民幣1,500萬元。

融資活動所用現金淨額

於2016年財年，融資活動所用現金淨額為人民幣9,861萬元，主要歸因於派付股息人民幣8,311萬元，歸還舉辦醫院歸集資金人民幣1,596萬元。

重大投資、收購和出售，及於合資公司的投資及應收合資公司款項及後續主要資本性投資計劃

截止2016年12月31日，本集團短期投資餘額約人民幣6,640萬元，全部為短期銀行金融理財產品。

Acquisition of Huizhou Hospital and Hangzhou Hospitals

On May 3, 2016, the Group and CITIC Medical entered into a binding term sheet, and entered into a sales and purchase agreement on October 28, 2016, pursuant to which the Group proposed to issue 130,571,837 consideration shares to CITIC Medical at the price of HK\$9.50 per consideration share for the acquisition of 60% equity interest of Huizhou Hospital (owned as to 60% by CITIC Medical) and 70% equity interest of Hangzhou Hospitals (a wholly-owned subsidiary of CITIC Medical), at a consideration of HK\$1,240,432,453. Through the acquisition, the Group acquired a huge portion of the assets, equity and operation rights of Huizhou Hospital and Hangzhou Hospitals. Please refer to the announcements of the Company dated May 3, 2016 and October 28, 2016 for details.

Currently, there have been impediments in certain regulatory approval process relating to the acquisition of Huizhou Hospital and Hangzhou Hospitals and the Company and CITIC Medical are engaging in negotiations to explore solution acceptable to both parties, giving due regard to the interests of the Company and the Shareholders as a whole.

Acquisition of Ample Mighty

On April 8, 2016 and April 29, 2016, the Group and CR Healthcare Group entered into a binding term sheet and supplemental term sheet, and entered into a sales and purchase agreement on August 30, 2016, pursuant to which the Group proposed to issue 462,913,516 consideration shares to CR Healthcare Group at the price of HK\$8.04 per consideration share for the acquisition of 100% equity interest in Ample Mighty, a wholly-owned subsidiary of CR Healthcare Group at a consideration of HK\$3,721,824,669. Through the acquisition, the Group acquired the assets, equity interests and operation rights of 46 medical institutions including 3 elderly care institutions of Ample Mighty.

收購惠州醫院及杭州醫院

本集團於2016年5月3日與中信醫療訂立具約束力的條款書，又於2016年10月28日訂立正式買賣合同，本集團按每股代價股份9.50港元向中信醫療發行130,571,837股代價股份以收購其佔60%權益的惠州醫院之60%股權及其下屬全資子公司杭州醫院之70%股權，藉此收購惠州醫院及杭州醫院的主要資產及股權及運營權，收購事項之代價為1,240,432,453港元。詳情請參閱本公司日期為2016年5月3日及2016年10月28日的公告。

目前，收購惠州醫院及杭州醫院的若干監管審批流程遇到障礙，而本公司及中信醫療正進行磋商，在充份考慮本公司及股東的整體利益的前提下尋求雙方可接受的解決方案。

收購廣雄

本集團於2016年4月8日及2016年4月29日與華潤醫療集團訂立具約束力的條款書及補充條款，又於2016年8月30日訂立正式買賣合同，本集團按每股代價股份8.04港元向華潤醫療集團發行462,913,516股代價股份以收購其下屬全資子公司廣雄之100%股權，藉此收購廣雄下屬46家醫療機構資產及股權及運營權，其中包含3家養老機構，收購事項之代價為3,721,824,669港元。

Management Discussion and Analysis 管理層討論與分析

The Company convened the extraordinary general meeting on October 31, 2016 to approve the entering into of the sales and purchase agreement between the Group and CR Healthcare Group and the issue and allotment of consideration shares to CR Healthcare Group pursuant to the terms and conditions of the sales and purchase agreement. As a result, all the conditions under the sales and purchase agreement were satisfied and the completion took place on October 31, 2016. A total of 462,913,516 consideration shares were duly allotted and issued to a wholly-owned subsidiary of CR Healthcare Group, which represents 35.7% of the issued share capital of the Company and Ample Mighty became an indirect wholly-owned subsidiary of the Company. Please refer to the announcements of the Company dated April 8, 2016, May 3, 2016, August 30, 2016 and October 31, 2016 and circular dated October 7, 2016 for details.

Investment in Baoding Third Centre Hospital

On September 15, 2015, the Company and Baoding Third Centre Hospital entered into a master agreement regarding cooperation (the “Master Agreement”). The period of the cooperation is 20 years from 2015 to 2035 and the total investment is RMB70 million. Pursuant to the Master Agreement and based on the development needs of Baoding Third Centre Hospital, the Company made an initial investment of RMB32 million on September 29, 2016. During the period of the cooperation, Baoding Third Centre Hospital will offer the Company a fixed return on investment principal per annum as investment return. In addition, the Company is entitled to a reasonable return in the form of management fees from Baoding Third Center Hospital based on the operations appraisal to be performed by the Baoding Government against Baoding Third Centre Hospital. Please refer to the announcement of the Company dated 15 September 2015 for details.

本公司於2016年10月31日召開特別股東大會，批准本集團與華潤醫療集團訂立買賣合同並且根據買賣合同的條款及條件向華潤醫療集團配發及發行代價股份。至此，買賣合同項下的所有條件已獲達成，交易亦已於2016年10月31日落實，合共462,913,516股代價股份已正式配發及發行予華潤醫療集團，佔本公司已發行股本的35.7%，標的公司成為本公司的間接全資附屬公司。詳情請參閱本公司日期為2016年4月8日、2016年5月3日、2016年8月30日及2016年10月31日的公告，以及日期為2016年10月7日的通函。

對保定市第三中心醫院的投資

於2015年9月15日，本公司與保定市第三中心醫院訂立總體協議進行合作共建，合作期為2015年至2035年為期20年，總投資額為人民幣7,000萬元。根據總體協議並基於第三中心醫院發展需要，本公司於2016年9月29日投入了人民幣3,200萬元作為首期投資款。合作期內，第三中心醫院每年向本公司固定返還投資本金，此外，根據保定政府對第三中心醫院經營考核基礎上，本公司有權通過向第三中心醫院提取管理費用形式獲得合理回報。詳見本公司日期為2015年9月15日之公告。

Investment in JV Company

On July 13, 2015, True Point, UMP Healthcare Holdings, UMP China, the Company, Pinyu and JV Company entered into a shareholders' agreement, pursuant to which each of the Group and UMP Healthcare Holdings advanced an interest-free shareholder's loan of RMB24.25 million to JV Company as of December 31, 2016. According to the announcement of UMP Healthcare Holdings dated September 27, 2016, such shareholders' loans have been capitalised and converted into new shares allotted and issued to each of the Group and UMP Healthcare Holdings on a pro-rata basis.

As of December 31, 2016, JV Company was held as to 50% by Pinyu and 50% by UMP China, the investment in JV Company was accounted under the equity method and the balance of the investment was approximately RMB7.49 million.

According to the announcement of UMP Healthcare Holdings dated December 15, 2016, UMP Healthcare Holdings will, through UMP China, subscribe for 6,668 shares in JV Company, at a consideration of RMB32.33 million. JV Company shall be renamed as UMP Healthcare (Beijing) Group Limited. Immediately after the completion of the subscription, JV Company will be owned as to 70% by UMP China and 30% by the Group and will become a non-wholly-owned subsidiary of the UMP Healthcare Holdings. On February 27, 2017, the transaction had been approved by the extraordinary general meeting of UMP Healthcare Holdings.

Use of proceeds from the Initial Public Offering

With reference to the use of proceeds disclosed in the Prospectus, the Board is closely monitoring the use of proceeds from the initial public offering and confirms that there is no material change in the intended use as previously disclosed in the Prospectus. As of December 31, 2016, the Group had applied the net proceeds as set out below.

對合營公司的投資

於2015年7月13日，True Point、聯合醫務集團、UMP China、本公司、Pinyu及合營公司訂立股東協議，據此，截止2016年12月31日，本集團及聯合醫務集團已分別向合營公司墊付免息股東貸款人民幣2,425萬元。根據聯合醫務集團2016年9月27日公告，有關股東貸款已資本化，並按比例轉換為發行及配發予本集團及聯合醫務集團各自的新股份。

截止2016年12月31日，Pinyu及UMP China對合營公司各持有50%及50%權益。本公司於合營公司的投資通過權益法計量，期末賬面餘額約為人民幣749萬元。

聯合醫務集團於2016年12月15日發布公告，聯合醫務集團將通過聯合醫務中國按代價人民幣32,330,000元認購6,668股合營公司股份，合營公司將易名為UMP Healthcare (Beijing) Group Limited。緊隨認購事項完成後，合營公司將由聯合醫務中國及本集團分別擁有70%及30%權益，並將成為聯合醫務集團的非全資附屬公司。截止2017年2月27日，該交易已經於聯合醫務集團特別股東大會表決通過。

首次公開發售之所得款項用途

董事會參考售股章程中披露之所得款項用途密切監控首次公開發售之所得款項的用途，並確認先前售股章程中所披露之擬定用途並無重大變動。截至2016年12月31日，本集團將所得款項淨額用作以下用途。

Management Discussion and Analysis

管理層討論與分析

- Pursuant to the IOT agreement entered into between Beijing Phoenix and Mentougou District government on September 23, 2014, the Group committed to an one-off investment of RMB15.0 million in Mentougou Hospital for Women and Children in exchange for the rights to manage and receive performance-based annual management fees from the latter until December 31, 2030;
- Repayment of the entire loan from our substantial shareholder, Speed Key Limited, with accrued interest amounted approximately HK\$340.0 million on December 12, 2013;
- During the year ended December 31, 2014, the Group fulfilled the capital commitment to Yan Hua Hospital Group for approximately HK\$80.0 million;
- Under the IOT agreement entered into between Beijing Phoenix and the People's Government of Shunyi District, Beijing Municipality on May 28, 2015, the Group undertook to invest working capital of RMB100 million to Shunyi District Konggang Hospital, the Second Hospital of Shunyi District and its relevant primary community healthcare institutions for rebuilding and expansion of facilities, recruiting professionals, building clinical laboratories, acquiring medical equipment and improving the clinical environment of the pilot medical institution in exchange for the rights to manage and receive performance-based annual management fees from the related medical institutions until December 31, 2035;
- Under the share purchase agreement entered into between the Group, True Point and Pinyu on 13 July, 2015, the Group has paid HK\$180 million through Pinyu to acquire equity interests of UMP Healthcare Holdings. Concurrent with the execution of the share purchase agreement, the Company established a joint venture with UMP China through Pinyu and paid RMB24.25 million to the joint venture in the form of shareholder's loan. The balance was converted into share capital on August 30, 2016;
- 根據北京鳳凰與門頭溝區政府於2014年9月23日訂立之IOT協議，本集團承諾向門頭溝區婦幼保健院作出一次性投資人民幣15.0百萬元，以換取管理該醫院及自其收取績效年度管理費之權利，直至2030年12月31日為止；
- 悉數償還本集團主要股東Speed Key Limited的貸款，該貸款於2013年12月12日之應計利息約為340.0百萬港元；
- 於截至2014年12月31日止年度，本集團向燕化醫院集團支付資本承擔約80.0百萬港元；
- 根據北京鳳凰與北京市順義區人民政府於2015年5月28日訂立之IOT協議，本集團承諾向順義區空港醫院、順義區第二醫院及相關基層小區醫療機構投資營運資金人民幣100百萬元，用於試點醫療機構的重建及擴充設施、引進專業人才、建設臨床科室、配置醫療設備、改善就醫環境，以換取管理相關醫療機構及自其收取績效年度管理費之權利，直至2035年12月31日為止；
- 根據本集團、True Point及Pinyu於2015年7月13日訂立的購股協議，本集團透過Pinyu支付180百萬港元購股款獲得聯合醫務集團股權。簽立上述購股協議同時，本公司透過Pinyu與UMP China成立合營公司，並已向合營公司支付股東貸款人民幣24.25百萬元，該款項於2016年8月30日轉增股本；

- Under the IOT agreement entered into between Beijing Phoenix and Baoding Third Centre Hospital on September 15, 2015, the Group undertook to invest working capital of RMB70 million to Baoding Third Centre Hospital for the cooperation with Baoding Third Centre Hospital in exchange for the rights to manage and receive performance-based annual management fees from the related medical institutions until December 31, 2035. As of December 31, 2016, RMB32 million was paid to Baoding Third Centre Hospital;
- The amount of proceeds used as working capital and other general corporate purposes in the period from November 29, 2013 to December 31, 2016 is well within the 10% estimated range disclosed in the Prospectus.
- 根據北京鳳凰與保定市第三中心醫院於2015年9月15日訂立之IOT協議，本集團承諾向保定市第三中心醫院投資營運資金人民幣70百萬元，用於第三中心醫院的合作，以換取管理相關醫療機構及自其收取績效年度管理費之權利，直至2035年12月31日為止；截止2016年12月31日，已經向保定市第三中心醫院支付32百萬元；
- 於自2013年11月29日起至2016年12月31日止期間，用作營運資金及其他一般企業用途的所得款項數額並未超過售股章程中所披露的10%之估計範圍。

Capital Expenditures

The capital expenditures of the Group primarily consist of the expenditures in respect of acquisition of property, plant and equipment and investment amount by the Group to IOT hospitals and clinics as well as the investment amount by the Group to associates and joint ventures. The amount of capital expenditures of the Group were approximately RMB89.45 million during FY2016, primarily consisted of the investment of RMB15 million in JV Company, the investment of RMB32 million in Baoding Third Center Hospital, and purchase of property, plant and equipment amounting to RMB42.45 million.

Indebtedness

Contingent Liabilities

As at December 31, 2016, the Group did not have any contingent liabilities or guarantees that would have a material impact on the financial position or operations of the Group.

資本開支

本集團的資本開支主要包括收購物業、廠房及設備開支、本集團對IOT醫院及診所的投資額以及本集團向聯營及合營公司的投資額。本集團於2016年財年的資本開支額約為人民幣8,945萬元，此乃主要由向合營公司投資人民幣1,500萬元、向保定第三中心醫院投資營運資金人民幣3,200萬元以及購買約人民幣4,245萬元的固定資產所致。

債務

或有負債

於2016年12月31日，本集團並無擁有任何會對本集團財務狀況或營運產生重大影響的或有負債或擔保。

Management Discussion and Analysis

管理層討論與分析

Exposure to Fluctuation in Exchange Rates

The Group undertakes certain operating transactions in foreign currencies, which exposes the Group to foreign currency risk, mainly pertaining to the risk of fluctuations in the Hong Kong dollar and U.S. dollar against RMB.

The Group has not used any derivative contracts to hedge against its exposure to currency risk. The management manages the currency risk by closely monitoring the movement of the foreign currency rates and considers hedging against significant foreign exchange exposure should such need arise.

Interest Rate Risk

The Group is exposed to fair value interest rate risk in relation to receivables from IOT hospitals and loan to a sponsored hospital and cash flow interest risk in relation to variable-rate bank balances, which carry prevailing market interest rates and short-term investments.

The Group currently does not have specific policies in place to manage our interest rate risk and have not entered into interest rate swaps to hedge the exposure, but will closely monitor the interest rate risk in the future.

Pledge of Assets

The Group entered into the Syndicated Loan Agreement on February 4, 2015, under which, the Syndicated Loan will be guaranteed by existing offshore subsidiaries and future offshore subsidiaries of the Company and secured by first priority perfected security interests over the following in favor of the security agent on behalf of the lenders:

- i. charge over 100% of the shares of the existing offshore subsidiaries and future offshore subsidiaries of the Company;
- ii. pledge over 100% of equity interests of Beijing Phoenix, and future onshore subsidiaries and onshore joint ventures of the Company;
- iii. assignment of any intra-group shareholder loans from the loan proceeds under the Syndicated Loan Agreement;

匯率波動風險

本集團以外幣訂立若干營運交易，主要涉及港元和美元兌人民幣的匯率波動風險，本集團因此面臨外匯風險。

本集團未使用任何衍生合約對沖貨幣風險。管理層透過密切監控外匯匯率變動來管理貨幣風險，若出現相關需求，管理層亦考慮對重大外匯風險進行對沖。

利率風險

本集團承受與應收IOT醫院款項及向一間集團舉辦之醫院提供的貸款有關的公允價值利率風險以及與浮動利率銀行結餘（按現行市場利率計息）及短期投資相關的現金流量利率風險。

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

本集團於2015年2月4日訂立銀團貸款協議，據此，銀團貸款將由本公司現有離岸附屬公司及日後離岸附屬公司作擔保，並以抵押代理為受益人（代表貸款方）由下列各項的第一優先抵押權益所抵押：

- i. 本公司現有離岸附屬公司及日後離岸附屬公司股份的100%的押記；
- ii. 北京鳳凰及本公司日後的境內附屬公司及境內合營企業的100%股權的抵押；
- iii. 自銀團貸款協議項下貸款所得款項分配任何集團內股東貸款；

- iv. fixed and floating charge or mortgage over all assets of the existing offshore subsidiaries and future offshore subsidiaries of the Company; and
- v. charge over the related debt service reserve account.

The Syndicated Loan Agreement has been terminated on January 15, 2016 and the procedures for discharging of charges and pledges were completed on June 30, 2016. As of December 31, 2016, the Group did not have any material pledge of assets.

Contractual Obligations

As at December 31, 2016, the Group did not have any significant contractual obligations that would have a material effect on the financial position or operations of the Group.

Financial Instruments

The Group's major financial instruments include trade receivables, amounts due from related parties, loan to a sponsored hospital, other receivables, certificate of deposit, cash and cash equivalents, receivables from IOT Hospitals, short-term investments, trade payables, amount due to related parties, payables to hospitals sponsored by the Group and other payables. The risks associated with these financial instruments include market risk, credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Gearing Ratio

As at December 31, 2016, on the basis of total interest-bearing liability (excluding payables to hospitals sponsored by the Group) divided by total assets, the Group's gearing ratio was nil (FY2015: nil).

- iv. 本公司現有離岸附屬公司及日後離岸附屬公司的所有資產的固定及浮動押記或按揭；及
- v. 相關債務服務儲備賬目的押記。

銀團貸款協議已於2016年1月15日終止，有關抵押擔保解除手續已於2016年6月30日完成。截止2016年12月31日，本集團無任何重大資產抵押。

合同義務

於2016年12月31日，本集團概無任何重大合同義務會對本集團的財務狀況或營運造成重大影響。

金融工具

本集團的主要金融工具包括應收貿易款項、應收關聯方款項、向一間集團舉辦之醫院提供的貸款、其他應收款項、存款證、現金及現金等價物、應收IOT醫院款項、短期投資、應付貿易款項、應付關聯方款項、應付本集團舉辦之醫院款項及其他應付款項。與該等金融工具相關的風險包括市場風險、信用風險及流動性風險。管理層管理及監察該等風險，以確保及時採取有效措施。

槓桿比率

於2016年12月31日，按總有息負債（不含應付本集團舉辦之醫院款項）除以總資產的基準計算，本集團的槓桿比率為零（2015年財年：零）。



**DIRECTORS'
REPORT**
董事會報告



Directors' Report

董事會報告

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

CHANGE OF COMPANY NAME AND STOCK SHORT NAME

Pursuant to a special resolution passed at the Company's extraordinary general meeting held on October 31, 2016, the English name of the Company has been changed from "Phoenix Healthcare Group Co. Ltd" to "China Resources Phoenix Healthcare Holdings Company Limited" and the Chinese name of the Company has been changed from "鳳凰醫療集團有限公司" to "華潤鳳凰醫療控股有限公司". The Certificate of Incorporation on Change of Name and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company were issued by the Registrar of Companies of the Cayman Islands and the Hong Kong Companies Registry, respectively, on November 2, 2016 and November 25, 2016.

The Company's stock short name of the Shares for trading on the Stock Exchange has been changed from "PHOENIXHEALTH" to "CRPHOENIXHEALTH" in English and from "鳳凰醫療" to "華潤鳳凰醫療" in Chinese with effect from 9:00 a.m. on December 5, 2016.

PRINCIPAL BUSINESS

The Company is an investment holding company. The Group is mainly engaged in the provision of general healthcare services, hospital management and consulting services as well as derived business from hospital group in Mainland China. Details of the principal activities of the Company's principal subsidiaries are set out in note 43 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group and a description of the principal risks and uncertainties being faced by the Group, as well as the business outlook of the Group (including key performance indicators of future development of the Group) are provided in the "Management Discussion and Analysis" on pages 12 to 34 of this annual report. Relevant discussion forms part of this Directors' Report.

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

更改公司名稱及股份簡稱

根據本公司於2016年10月31日舉行之股東特別大會上通過的一項特別決議案，本公司之英文名稱由「Phoenix Healthcare Group Co. Ltd」更改為「China Resources Phoenix Healthcare Holdings Company Limited」，而本公司之中文名稱則由「鳳凰醫療集團有限公司」更改為「華潤鳳凰醫療控股有限公司」。開曼群島公司註冊處及香港公司註冊處於2016年11月2日及2016年11月25日分別發出公司更改名稱註冊證書和註冊非香港公司變更名稱註冊證明書。

本公司於聯交所買賣的股份的中英文股份簡稱自2016年12月5日上午九時分別由「PHOENIXHEALTH」變更為「CRPHOENIXHEALTH」及由「鳳凰醫療」變更為「華潤鳳凰醫療」。

主要業務

本公司為一間投資控股公司。本集團主要在中國內地從事提供綜合醫療服務、提供醫院管理及諮詢服務及醫院集團衍生業務。本公司主要附屬公司的主要業務詳情載於綜合財務報表附註43。

業務回顧

對本集團公允業務回顧及本集團面臨的主要風險及不確定性說明，以及本集團業務前景（當中包括本集團日後發展的關鍵表現指標）於本年報第12至34頁「管理層討論與分析」一節內提供。相關討論構成本董事會報告的一部分。

A discussion and analysis of the Group's performance for the year ended December 31, 2016 and the material factors underlying its results and financial position are provided in the paragraph headed "Financial Review" under the section headed "Management Discussion and Analysis" on pages 35 to 51 of this annual report.

Significant events affecting the Group that have occurred since the end of the Reporting Period and up to the date of this Directors' Report, if any, are set out in the paragraph headed "Events Subsequent to December 31, 2016" on page 87 of this annual report.

Environmental Policies and Performance

As a responsible corporate citizen, the Group recognizes the importance of good environmental stewardship. In this connection, the Group has strictly adopted and implemented policies and procedures to conduct environmental protection work on a standard which is not less stringent than the prevailing environmental laws and regulations of the PRC. We believe that we were in compliance with all relevant PRC laws and regulations regarding environmental protection in all material respects during the year ended December 31, 2016 and as at the date of this Directors' Report. No environmental claims, lawsuits, penalties or administrative sanctions were reported to our management.

The Group formulated the "Hazardous Substances Safety Management Plan" (《有害物質安全管理計劃》) and the "Medical Waste Management System" (《醫療廢物管理制度》) for all hospitals according to the relevant requirements of the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》). The above systems focus on the management of hazardous substances (containing hazardous chemicals and medical waste), including storage location, container labelling, protection, leakage handling and disposal in use. Hospitals conduct supervisions and inspections mainly on storage and labelling on hazardous chemicals and conclude the analysis results on a quarterly basis. As required by the "Law of the People's Republic of China on Energy Conservation" (《中華人民共和國節約資源法》), the Group formulated the "Optimization System of Resource Decision" (《資源決策優選制度》), which focuses on the management of resource decision-making process and

對本集團截至2016年12月31日止年度表現的討論與分析以及有關其業績及財務狀況的主要因素，於本年報第35至51頁「管理層討論與分析」一節「財務回顧」一段內提供。

自報告期結束後直至本董事會報告日期發生而影響本集團的重要事件（如有）的詳情，可查閱本年報第87頁「2016年12月31日後事件」一段。

環境政策及表現

作為負責任的企業公民，本集團深明良好環境管理尤為重要。有見及此，本集團嚴格採納及實施政策及程序開展環境保護工作，且有關準則標準不比中國現有環境法例及法規寬鬆。我們認為，於截至2016年12月31日止年度及於本董事會報告日期，我們在各主要方面遵守有關環境保護的所有相關中國法律及法規。我們的管理層概無接獲涉及環境索償、訴訟、罰則或行政處分的報告。

本集團按照《中華人民共和國環境保護法》相關要求，在各醫院制定了《有害物質安全管理計劃》、《醫療廢物管理制度》。上述制度側重於有害物質（含危化品及醫療廢物）的管理，包括存放位置、存放容器標識、使用中的防護、洩漏處理以及廢棄等內容。醫院主要對危化品的儲存、標識進行監督檢查，每季度總結分析。本集團按照《中華人民共和國節約資源法》要求，在各醫院制定了《資源決策優選制度》，該制度側重於規範資源決策

specifies the requirements on the quality, reasonable allocation and use of newly procured resources. The Group monitors the outcome of such decision upon its implementation, and assesses the effectiveness and safety by using relevant information and makes further decision so as to ensure the effective implementation of the above policies.

Meanwhile, the Group formulated the “Utilities Safety Management Plan” (《公用設施安全管理計劃》), “Safety and Protection Management Plan” (《安全防護管理計劃》) and “Medical Technology Safety Management Plan” (《醫療技術安全管理計劃》), and passed the “Facility Safety Management Plan” (《設施安全管理計劃》) to ensure the effective implementation of the above plans. The Group formulated the “Radiation Safety Management Plan” (《放射安全管理計劃》) and “Radiation Emergency Plan” (《輻射應急預案》) for all hospitals, which focuses on the management of radiation safety and specifies the requirements on all radiation equipment, protection and radiation-related waste treatment. Every year, qualified testing and rating agencies are engaged to monitor the radiation level of all radiological equipment and workplaces in the hospitals. Moreover, the hospitals carry out drills against radiation accidents and evaluate and conclude the responsiveness.

Compliance with the Relevant Laws and Regulations

To the best of the Directors' knowledge, information and belief as at the date of this Directors' Report, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

Relationship with Stakeholders

The Group is committed to operating in a sustainable manner while balancing the interests of our various stakeholders including our Substantial Shareholders, employees, patients, customers, suppliers, business partners and the community.

An account of the Group's relationship with its Substantial Shareholders is included in the “Interests of Substantial Shareholders and Other Persons in Shares and Underlying Shares” set out on page 71 of this annual report.

過程的管理，就新購資源的品質和合理分配使用提出了明確的要求。在決策實施後，監控決策的結果，並利用相關資料評估決策的有效性、安全性，進行再決策。保證上述政策得以有效執行。

同時，本集團還制定了《公用設施安全管理計劃》、《安全防護管理計劃》以及《醫療技術安全管理計劃》，並通過《設施安全管理計劃》，保證上述計劃的有效執行。在各醫院制定了《放射安全管理計劃》和《輻射應急預案》。該制度側重於放射安全方面的管理，就所有放射設備、防護及與放射有關的廢棄物處理提出了明確的要求。每年醫院由具有資質的檢測和評價機構對醫院內所有放射儀器和工作場所的放射水準進行監測，並進行放射事故的演習，對回應情況進行評價和總結。

遵守相關法律法規

就董事深知、深悉及確信，於本董事會報告日期，本集團已在重大方面遵守對本集團業務及經營構成重大影響的相關法律法規。

與持份者的關係

本集團致力以可持續方式營運，同時持平兼顧主要股東、員工、病患、客戶、供貨商、業務伙伴及社區等各持份者的利益。

本集團與其主要股東的關係說明載於本年報第71頁「主要股東及其他人士於股份及相關股份之權益」。

The Group considers its employees as the key to sustainable business growth. We are committed to providing all employees a safe and harassment-free working environment with equal opportunities in relation to employment, remuneration management, training and career development. This commitment is incorporated in our Corporate Responsibility Policy and Employment Policy. Workplace safety is a priority of the Group that, with due awareness of all employees throughout the year, the Group was able to maintain a high standard of health and safety measures in all company activities. We have in place a fair and effective performance appraisal system and incentive bonus schemes that designed to motivate and reward employees at all levels, which helps to deliver their best performance and achieve business performance targets. For talent acquisition and continuous development, the Group offers training programs as well as leadership and talent development programs for talents with different academic backgrounds. The Group believes that direct and effective communication is essential for good partnership built-up between management and employees. The Group holds regular meetings and forums to brief employees on company developments and obtain their feedbacks and suggestions.

As a patient-oriented healthcare services provider, we consider patients as one of the most important stakeholders. We are committed to serving our patients to the best of our ability and continually enhancing the level of service excellence. The Group has embraced new media platforms as an effective communication channel with our patients to collect feedbacks and help us identify areas for further improvement.

The Group is committed to upholding the highest ethical and professional standards when dealing with suppliers and contractors. To integrate CSR principles throughout our GPO business, the Group has implemented the Group Purchasing Policy and Principles, and a Supplier Code of Conduct to facilitate a common means whereby we can better communicate with our business partners regarding their compliance with local regulations governing labor, health and safety, and the environment. In order to have a better and close monitoring of supplier performance, our procurement department conduct supplier performance review annually targeting our major suppliers and contractors, and will communicate with the suppliers that have unsatisfactory rating for rectification or improvements.

本集團認為，員工是業務持續增長的關鍵。我們承諾為全體員工提供安全、無騷擾的工作環境，在就業、薪酬管理、培訓及事業發展方面提供平等機會。此承諾已納入我們的企業責任政策及僱傭政策。本集團重視工作環境安全，全體員工於整個年度內均妥為意識掌握安全事宜，本集團在其所有公司活動中採取高標準健康表現及安全措施。我們設立公平有效的績效評核制度及花紅獎勵計劃，鼓勵及嘉許各級員工發揮優秀表現及實現業務表現目標。在吸納人才及持續發展方面，本集團為不同學術背景的人才提供培訓計劃以及領導及才能發展計劃。本集團相信，直接有效的溝通對建立管理層與員工之間的良好合作關係至為重要，本集團定期舉行會議及討論會，向員工簡報公司最新發展，並聽取員工意見及建議。

作為以病患為本的醫療服務供應商，我們視病患為最重要的持份者之一。我們盡心竭力服務病患，不斷提升卓越服務水平。本集團亦利用新媒體平台作為與病患的有效溝通渠道，以收集回饋意見及協助查找有待改進的範疇。

本集團與供貨商及承辦商進行交易時，恪守最嚴謹的道德及專業操守準則。為使GPO業務貫徹企業社會責任原則，本集團已制訂本集團採購政策及原則以及供貨商行為守則，提供劃一標準，以便就其遵守當地勞工、健康及安全及環境規例的情況與業務伙伴更為順暢溝通。為更有效及密切監察供貨商的表現，我們的採購部門每年對主要供貨商及承辦商進行供貨商表現檢討，並與評分未如理想的供貨商溝通以作糾正或改進。

For details and cases mentioned above, please refer to the Environmental, Social and Governance Report on pages 125 to 143 of this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the year ended December 31, 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 151 of this annual report.

The Board proposes to pay a final dividend of HK\$6.3 cents (equivalent to RMB5.6 cents) per Share for FY2016 (FY2015: final dividend: nil; special dividend: HK\$12 cents per Share). The proposed final dividend will be payable to Shareholders whose names appear on the register of members of the Company on Tuesday, June 27, 2017. Based on the number of Shares in issue of the Company as of December 31, 2016, the total amount of final dividends is approximately HK\$82 million. Subject to the approval by Shareholders at the annual general meeting to be held on Friday, June 16, 2017, it is expected that the final dividend will be distributed on or before July 30, 2017.

The Group is not aware of any arrangement under which a Shareholder has waived or agreed to waive any dividends.

SHARE CAPITAL

On October 31, 2016, the Company issued 462,913,516 ordinary shares with par value of HKD0.00025 per share to CR Healthcare Group. Details of the movements in the share capital of the Company for the year ended December 31, 2016 are set out in note 36 to the consolidated financial statements in this annual report.

RESERVES

Details of the movements in the reserves of the Group for the year ended December 31, 2016 are set out in the consolidated statement of changes in equity on page 155 of this annual report.

DISTRIBUTABLE RESERVES

As at December 31, 2016, the Group had no distributable reserve that was available for distribution to the Shareholders.

Under the Companies Law of the Cayman Islands, and subject to the provisions of the Articles of Association, the share premium account is distributable to the Shareholders, provided that immediately following the proposed date of dividend distribution, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

上述具體內容及案例詳見本年報第125至143頁的環境、社會及管治報告。

業績及股息

本集團截至2016年12月31日止年度的業績載於本年報第151頁的綜合損益及其他全面收入表。

董事會建議派發2016年財年的末期股息每股6.3港仙(相等於人民幣5.6分)(2015年財年:末期股息為零,特別股息每股12港仙)。建議末期股息將派發予於2017年6月27日(星期二)名列本公司股東名冊之股東。按截至2016年12月31日本公司已發行股份數目計算,末期股息共計約8,200萬港元。預期末期股息將於2017年7月30日或之前派發,惟須待於2017年6月16日(星期五)將予舉行之股東週年大會上獲股東批准。

本集團並無獲悉股東據之放棄或同意放棄任何股息的任何安排。

股本

於2016年10月31日,本公司向華潤醫療集團發行462,913,516股普通股,每股面值0.00025港元。本公司截至2016年12月31日止年度的股本變動詳情載於本年報綜合財務報表附註36。

儲備

本集團截至2016年12月31日止年度的儲備變動詳情載於本年報第155頁的綜合權益變動表。

可分派儲備

於2016年12月31日,本集團並無可分派儲備向股東分派。

根據開曼群島公司法及在章程細則條文的規限下,股份溢價賬可供分派予股東,惟於緊隨建議分派股息當日後,本公司須有能力於日常業務過程中支付到期債項。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the Group's property, plant and equipment during the year ended December 31, 2016 are set out in note 17 to the consolidated financial statements in this annual report.

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 296 of this annual report. This summary does not form part of the audited financial statements.

CHARITABLE DONATIONS

Please refer to the paragraph headed "Other Expenses" under the section headed "Management Discussion and Analysis" on page 42 of this annual report.

BORROWINGS

As at December 31, 2016, the Group had no borrowings.

PLEDGE OF ASSETS

As at December 31, 2016, the Group had no pledge of assets.

EQUITY-LINKED AGREEMENTS

Save for the sales and purchase agreements with CITIC Medical and CR Healthcare Group as set out in the paragraph headed "Significant Investments, Acquisitions and Disposals, Investments in and Receivables from JV Company and Subsequent Plans for Material Capital Investments" under the section headed "Management Discussion and Analysis" and the Share Option Scheme as set out in the paragraph headed "Share Option Scheme" under the section headed "Directors' Report", no equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2016.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended December 31, 2016, sales to the Group's five largest customers in aggregate accounted for approximately 59.2% (2015: 56.9%) of the total sales for the year and sales to the largest customer accounted for approximately 22.8% (2015: 21.7%) of the total sales.

Purchases from the Group's five largest suppliers in aggregate accounted for approximately 59.5% (2015: 60.1%) of the total purchases for the year and purchases from the largest supplier accounted for approximately 46.3% (2015: 46.2%) of the total purchases.

物業、廠房及設備

截至2016年12月31日止年度本集團物業、廠房及設備的變動詳情載於本年報綜合財務報表附註17。

財務資料摘要

本集團於過去五個財政年度的業績以及資產、負債和非控股權益概要（摘錄自經審核財務報表）載於本年報第296頁。此摘要並不構成經審核財務報表的一部分。

慈善捐款

請參閱本年報第42頁「管理層討論與分析」一節「其他費用」一段。

借貸

於2016年12月31日，本集團並無任何借貸。

資產抵押

於2016年12月31日，本集團並無任何資產抵押。

股票掛鈎協議

除「管理層討論與分析」一節「重大投資、收購和出售，及於合資公司的投資及應收合資公司款項及後續主要資本性投資計劃」一段所載與中信醫療及華潤醫療集團的買賣協議及「董事會報告」一節「購股權計劃」一段所載的購股權計劃外，本集團於截至2016年12月31日止年度並無訂立或存在任何股票掛鈎協議。

主要客戶及供貨商

截至2016年12月31日止年度，銷售予本集團五大客戶的銷售額合共佔本年度銷售總額的約59.2%（2015年：56.9%），以及銷售予最大客戶的銷售額佔銷售總額的約22.8%（2015年：21.7%）。

向本集團五大供貨商的採購額合共佔本年度採購總額的約59.5%（2015年：60.1%），以及向最大供貨商的採購額佔採購總額的約46.3%（2015年：46.2%）。

The sponsor for Yan Hua Hospital is Yan Hua Phoenix, which is indirectly owned by Ms. Xu Jie, the then executive Director (resigned on November 25, 2016), and Ms. Xu Xiaojie, daughter of Ms. Xu Jie. Speed Key Limited, a substantial shareholder of the Company, was then wholly-owned by Mr. Xu Baorui, the father of Ms. Xu Jie. Thus, Yan Hua Phoenix and Yan Hua Hospital Group are connected persons of the Company as defined under the Listing Rules. Yan Hua Hospital was also one of the Group's five largest customers for the year ended December 31, 2016.

Save as disclosed above, to the best knowledge of the Directors, neither the Directors nor any of their close associates (as defined in the Listing Rules) or any Shareholder (which to the knowledge of the Directors own more than 5% of the Company's issued share capital), had any direct or indirect interest in the five largest customers or the five largest suppliers of the Group during the year ended December 31, 2016.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, each Director shall be indemnified out of the assets and profits of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in the execution of his office or otherwise in relation thereto. The Group has taken out insurance policies against the liability and costs associated with defending any proceeding.

DIRECTORS

The Directors during the year ended December 31, 2016 and up to the date of this Directors' Report are as follows:

Non-executive Directors

Mr. Wang Yin (*Chairman of the Board*)
(appointed on November 25, 2016)

Mr. Wang Yan
(appointed on November 25, 2016)

Mr. He Xuan
(appointed on November 25, 2016)

燕化醫院的舉辦人為燕化鳳凰，而燕化鳳凰由當時的執行董事徐捷女士（於2016年11月25日辭任）及徐捷女士的女兒徐小捷女士間接擁有。本公司主要股東Speed Key Limited當時由徐捷女士的父親徐寶瑞先生全資所有。因此，燕化鳳凰及燕化醫院集團為本公司的關連人士（定義見上市規則）。於截至2016年12月31日止年度，燕化醫院亦為本集團五大客戶之一。

除上文所披露者外，據董事所深知，截至2016年12月31日止年度，概無董事或彼等之任何緊密聯繫人（定義見上市規則）或就董事所知擁有本公司已發行股本5%以上的任何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。

許可彌償保證條文

根據組織章程細則，每名董事應可就其執行職務或另行就此有關而蒙受或產生的所有成本、費用、開支、損失及負債自本公司資產及利潤獲取彌償。本集團已針對任何法律程序抗辯相關責任及訟費投購保單。

董事

截至2016年12月31日止年度及直至本董事會報告日期的董事如下：

非執行董事

王 印先生（董事長）
(於2016年11月25日起獲委任)

王 彥先生
(於2016年11月25日起獲委任)

賀 旋先生
(於2016年11月25日起獲委任)

Mr. Liang Hongze
(resigned as executive Director and Chief Executive Officer and re-designated as non-executive Director on November 25, 2016)

Mr. Yang Huisheng
(resigned on February 1, 2016)

Mr. Rui Wei
(resigned on February 1, 2016)

Executive Directors

Mr. Cheng Libing (Vice Chairman of the Board)
(appointed on February 1, 2016)

Mr. Wu Potao (Chief Executive Officer)
(appointed as executive Director since November 25, 2016 and appointed as Chief Executive Officer on December 28, 2016)

Mr. Xu Zechang (Executive General Manager)
(resigned on November 25, 2016 and re-appointed as executive Director on December 28, 2016)

Ms. Xu Jie
(resigned on November 25, 2016)

Mr. Zhang Xiaodan
(resigned on December 28, 2016)

Mr. Jiang Tianfan
(resigned on November 25, 2016)

Mr. Shan Baojie
(appointed on February 1, 2016 and resigned on November 25, 2016)

Independent Non-executive Directors

Mr. Kwong Kwok Kong

Ms. Cheng Hong

Mr. Sun Jianhua

Mr. Lee Kar Chung Felix

None of the Directors has any financial, business, family or other material/relevant relationships with one another.

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Company are set out under the section headed "Directors and Senior Management" on pages 117 to 124 of this annual report.

梁洪澤先生
(於2016年11月25日起辭任執行董事兼行政總裁，並獲調任為非執行董事)

楊輝生先生
(於2016年2月1日起辭任)

芮偉先生
(於2016年2月1日起辭任)

執行董事

成立兵先生 (副董事長)
(於2016年2月1日起獲委任)

吳珀濤先生 (行政總裁)
(於2016年11月25日起獲委任為執行董事，並自2016年12月28日起獲委任為行政總裁)

徐澤昌先生 (執行總經理)
(於2016年11月25日起辭任，並於2016年12月28日起獲重新委任為執行董事)

徐捷女士
(於2016年11月25日起辭任)

張曉丹先生
(於2016年12月28日起辭任)

江天帆先生
(於2016年11月25日起辭任)

單寶傑先生
(於2016年2月1日獲委任，並於2016年11月25日起辭任)

獨立非執行董事

鄺國光先生

程紅女士

孫建華先生

李家聰先生

概無董事彼此之間有任何財務、業務、家庭或其他重大／相關關係。

董事及高級管理人員履歷詳情

本公司董事及高級管理人員簡歷詳情載於本年報第117至124頁的「董事及高級管理人員」一節。

DISCLOSURE OF INFORMATION OF DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

As disclosed in the announcement of the Company dated November 25, 2016, Mr. Liang Hongze has resigned as an executive Director and been re-designated as a non-executive Director on November 25, 2016. Mr. Liang Hongze entered into a new service agreement with the Company on November 25, 2016 for a term of two years, pursuant to which he is not entitled to remuneration from the Group in respect of his appointment as non-executive Director. As disclosed in the announcements of the Company dated November 25, 2016 and December 28, 2016, Mr. Xu Zechang has resigned as an executive Director on November 25, 2016 and been re-appointed as an executive Director on December 28, 2016. Mr. Xu Zechang entered into a new service agreement with the Company on December 28, 2016 for a term of two years, pursuant to which he is entitled to a fixed remuneration of RMB1,492,560 per annum for serving as executive Director. Save as disclosed above, there are no other changes to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SERVICE CONTRACTS AND LETTERS OF APPOINTMENT OF THE DIRECTORS

Each of Mr. Wang Yin, Mr. Wang Yan, Mr. He Xuan, Mr. Liang Hongze and Mr. Wu Potao has entered into a service agreement with the Group for a term of two years commencing from November 25, 2016, respectively. Mr. Cheng Libing has entered into a service agreement with the Group for a term of two years commencing from February 1, 2016. Mr. Xu Zechang has entered into a service agreement with the Group for a term of two years commencing from December 28, 2016. However, all of the abovementioned agreements can be terminated by either party giving to the other party not less than one month notice in writing.

Each of Ms. Cheng Hong, Mr. Sun Jianhua and Mr. Kwong Kwok Kong, who are all independent non-executive Directors, has previously entered into a letter of appointment with the Company on September 1, 2013 for a term of three years. Their appointments have been renewed up to December 31, 2017 upon expiry on August 31, 2016. Mr. Lee Kar Chung Felix, who is an independent non-executive Director, has previously entered into a letter of appointment with the Company on August 21, 2015 for a term of one year. His appointment has been renewed up to December 31, 2017 upon expiry on August 20, 2016. Each letter of appointment shall be terminable by giving the other party not less than three months prior notice in writing. Pursuant to the letters of appointment, each of Ms. Cheng Hong, Mr. Sun Jianhua, Mr. Kwong Kwok Kong and Mr. Lee Kar Chung Felix is entitled to an annual Director's fee of RMB240,000, RMB240,000, HK\$500,000 and RMB240,000 respectively.

根據上市規則第13.51B(1)條披露董事資料

誠如本公司日期為2016年11月25日的公告所披露，梁洪澤先生於2016年11月25日辭任執行董事，並調職為非執行董事。於2016年11月25日，梁洪澤先生已與本公司訂立為期兩年的新服務協議，據此，彼就其獲委任為非執行董事將不獲本集團之薪酬。誠如本公司日期為2016年11月25日及2016年12月28日的公告所披露，徐澤昌先生於2016年11月25日辭任執行董事，並於2016年12月28日獲重新委任為執行董事。於2016年12月28日，徐澤昌先生已與本公司訂立為期兩年的新服務協議，據此，彼將有權就擔任執行董事收取每年人民幣1,492,560元的固定薪酬。除上文所披露者外，概無根據上市規則第13.51B(1)條須予以披露的其他董事資料變動。

董事服務合約及委任函

王印先生、王彥先生、賀旋先生、梁洪澤先生和吳珀濤先生各自已與本集團訂立自2016年11月25日起為期兩年之服務協議，成立兵先生已與本集團訂立自2016年2月1日起為期兩年之服務協議，徐澤昌先生已與本集團訂立自2016年12月28日起為期兩年之服務協議，但任一方透過提前至少一個月向另一方發出書面通知在合約期滿前終止服務合約。

獨立非執行董事程紅女士、孫建華先生及鄺國光先生先前於2013年9月1日與本公司訂立委任書，任期為三年。彼等的委任已於2016年8月31日屆滿時，重續至2017年12月31日。獨立非執行董事李家聰先生先前於2015年8月21日與本公司訂立委任書，任期為一年。彼的委任已於2016年8月20日屆滿時，重續至2017年12月31日。每份委任書均可透過向另一方發出不少於三個月的書面通知予以終止。根據委任書，程紅女士、孫建華先生、鄺國光先生及李家聰先生分別享有人民幣240,000元、人民幣240,000元、港幣500,000元及人民幣240,000元的年度董事袍金。

Save as disclosed above, none of our Directors proposed for re-election at the forthcoming annual general meeting has entered into or intends to enter into a service contract with any member of our Group which is not determinable by the employer within one year without payment of compensation (other than the statutory compensation).

REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and the five highest paid individuals in the Group and remuneration payable to members of senior management by band are set out in note 14 to the consolidated financial statements in this annual report.

The remuneration of the Directors is subject to review of the Remuneration Committee and approval by the Board, such remuneration is determined by taking into account of the relevant Director's experience, responsibilities, workload and time commitment to the Group and the operating results of the Group and comparable market statistics.

EMPLOYEES AND REMUNERATION POLICY

As of December 31, 2016, the Group had a total of 1,010 full-time employees (December 31, 2015: 895 employees). For FY2016, the staff cost (including Directors' remuneration in the form of salaries and other benefits) was approximately RMB240 million (FY2015: RMB210.0 million).

The Group ensures that the remuneration packages of its employees remain competitive and the remuneration level of its employees is determined on the basis of performance with reference to the profitability of the Group, prevailing remuneration standards in the industry and market conditions within the general framework of the Group's remuneration system.

The Group has also adopted the Share Option Scheme and the Share Award Scheme so as to provide incentives or rewards to eligible participants for their contribution or potential contribution to the Company and/or any of its subsidiaries.

除上述披露者外，概無擬於應屆股東週年大會上膺選連任的董事已與本集團任何成員公司訂立或打算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

董事及本集團五位最高薪人士的酬金以及按範圍劃分應付高級管理層成員薪酬的詳情載於本年報綜合財務報表附註14。

董事的薪酬須經薪酬委員會審閱，並須經董事會批准，有關薪酬乃經計及有關董事的經驗、責任、工作量、為本集團投入的時間、本集團的經營業績及可資比較的市場統計數據後釐定。

僱員及薪酬政策

於2016年12月31日，本集團合共擁有1,010名全職僱員（2015年12月31日：895名僱員）。於2016年財年，僱員成本（包括薪金及其他福利形式的董事薪酬）約為人民幣2.40億元（2015年財年：人民幣2.10億元）。

本集團確保僱員薪酬福利方案具維持競爭力，僱員的薪酬水準乃經參考本集團盈利能力、同行同業薪酬水準及市場環境後於本集團的一般薪酬制度架構內按工作表現釐定。

本集團亦採納購股權計劃及股份獎勵計劃以向合資格參與者就其為本公司及／或其任何附屬公司作出的貢獻或可能作出的貢獻提供獎勵或回報。

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-VOTING UNDERTAKINGS

As disclosed in the Prospectus, Yan Hua Phoenix, as the sponsor (舉辦人) of Yan Hua Hospital Group, is entitled to nominate members to the executive committee of the Yan Hua Hospital Group. Our then Controlling Shareholders, Beijing Wantong and Yan Hua Phoenix have provided a non-voting undertaking in favor of the Group in the event there is any conflict or competition or potential conflict or potential competition between Yan Hua Hospital Group and the Group, our then Controlling Shareholders, Beijing Wantong and Yan Hua Phoenix shall procure the members of the executive committee nominated by Yan Hua Phoenix to abstain from voting.

DIRECTOR'S INTERESTS IN COMPETING BUSINESSES

Mr. He Xuan is a director and the chairman of the Board and Mr. Liang Hongze is the general manager of CR Healthcare Group, a controlling shareholder of the Company, which is principally engaged in the businesses of hospital investment, operation, management and relevant extended services. Saved as the aforementioned, as of December 31, 2016, none of the Directors or their respective close 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 EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As of December 31, 2016, the interests/short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of 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

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做出的年度確認函。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。

不投票承諾

如招股章程所披露，作為燕化醫院集團舉辦人，燕化鳳凰有權提名燕化醫院集團理事會成員。當時控股股東、北京萬同和燕化鳳凰已作出有利於本集團的不投票承諾：若燕化醫院集團與本集團之間出現任何衝突或競爭或潛在衝突或潛在競爭，當時控股股東、北京萬同和燕化鳳凰將促使燕化鳳凰提名的理事會成員放棄投票。

董事於競爭業務中之權益

賀旋先生為本公司控股股東華潤醫療集團之董事及董事長，而梁洪澤先生為該公司之總經理。本公司的控股股東華潤醫療集團主要從事醫院投資、運營、管理及相關延伸服務之業務。除上文所述者外，截至2016年12月31日，概無董事或彼等各自之聯繫人從事任何與本集團業務構成競爭或可能構成競爭的業務，或於其中擁有任何權益。

董事及最高行政人員於本公司或其相聯法團股份、相關股份及債權證之權益及淡倉

於2016年12月31日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中擁有(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

pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are deemed or taken to have under such provisions of the SFO); or (b) to be entered into the register kept by the Company pursuant to Section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules were as follows:

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或淡倉）；或(b)須列入由本公司按證券及期貨條例第352條存置之登記冊內；或(c)根據上市規則附錄十所載的標準守則須知會本公司及聯交所之任何權益／淡倉如下：

LONG POSITIONS IN SHARES OF THE COMPANY

於本公司股份的好倉

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares held 持有股份數目	Approximate percentage of shareholding 持股概約百分比 %
Liang Hongze 梁洪澤	Interest in controlled corporation and beneficial owner 受控法團及實益擁有人權益	26,860,912 ¹	2.07
Cheng Libing 成立兵	Beneficial owner 實益擁有人	928,629	0.07
Wu Potao 吳珀濤	Beneficial owner 實益擁有人	3,176,000	0.24
Xu Zechang 徐澤昌	Beneficial owner 實益擁有人	2,948,593	0.23

Note:

附註：

1. These interests represented:

1. 該等權益指：

(a) 26,705,912 Shares held by Xin Yue Development Limited, which is wholly owned by Liang Hongze; and

(a) 梁洪澤全資擁有的Xin Yue Development Limited所持有的26,705,912股股份；及

(b) 155,000 Shares held by Liang Hongze.

(b) 梁洪澤所持有的155,000股股份。

Save as disclosed above, as of December 31, 2016, none of the Directors or chief executives of the Company had any interests or short positions in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and

除上述披露者外，於2016年12月31日，概無本公司董事或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

the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company has conditionally adopted the Share Option Scheme as of September 30, 2013.

1. Purpose

The purpose of the Share Option Scheme is to incentivize or reward the 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 grant options to any full-time or part-time employees, consultants or potential employees, consultants, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries at its sole discretion and any suppliers, customers, consultants, agents and advisers who, in the absolute discretion of the Board, has contributed or will contribute to our Group (collectively "Eligible Participants").

3. Period of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of 10 years from September 30, 2013, after which time no further option will be granted but the provisions of the Share Option Scheme shall remain in full force, and effective in all other respects to the extent necessary to give effect to the exercise of any options granted prior thereto and other rights as may be required in accordance with the provisions of the Share Option Scheme and options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Share Option Scheme.

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)根據證券及期貨條例第352條須列入該條所述之登記冊內；或(c)根據標準守則須知會本公司及聯交所之任何權益或淡倉。

購股權計劃

於2013年9月30日，本公司已有條件採納購股權計劃。

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

董事會依循和遵照購股權計劃和上市規則的條文可全權酌情將購股權授予本公司或其任何附屬公司的任何全職或兼職僱員、顧問或潛在僱員、顧問、執行人員或管理人員（包括執行董事、非執行董事及獨立非執行董事），和董事會絕對酌情認為已向本集團作出貢獻或將作出貢獻的任何供貨商、客戶、顧問、代理人及顧問（統稱「合資格參與者」）。

3. 購股權計劃的期限

購股權計劃自2013年9月30日起正式生效並為期10年，此後不再授予購股權，但購股權計劃的條文仍然具有十足效力並在所有其他方面在必要範圍內有效，以行使購股權計劃之前授予的任何購股權和根據購股權計劃的條文要求行使的其他權利，而且購股權計劃之前已授予但尚未行使的任何購股權應繼續有效及可按照購股權計劃行使。

4. Maximum number of Shares

The maximum number of Shares in respect of which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not, in aggregate, exceed 80,362,700 Shares, being 10% of the issued share capital of the Company as at the Listing Date (assuming that the over-allotment option is not exercised).

As at the date of this annual report, the total number of Shares available for issue under the Share Option Scheme is 80,362,700 Shares, representing 6.2% of the issued Shares as at the date of this annual report.

5. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of options granted to any grantee (including exercised, cancelled 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 number of Shares in issue.

6. Offer period and amount payable for options

An offer of a grant shall remain open for acceptance by the Eligible Participant for a period of 14 days from the date of offer, provided that no such offer shall be open for acceptance after the expiry of the effective period of the Share Option Scheme. An option shall be deemed as has been granted to (subject to certain restrictions in the Share Option Scheme), and accepted by, the Eligible Participant (the "Grantee") and taken effect upon the issuance of an exercise notice, if the Company receives a copy of the offer document (including the document for the acceptance of share option) duly signed by the grantee (the "Offer Document"), together with a remittance in favor of our Company in the amount of HK\$1.00 in consideration for the granting of the option on or before the last date for acceptance. The remittance is not refundable under any circumstances and shall be deemed as payment of part of the exercise price. Once accepted, the option is taken as granted from the date of offer to the relevant Grantee.

4. 最高股份數目

於行使根據購股權計劃授出的所有購股權後可能發行的最高股份數目，合共不得超過80,362,700股股份，即本公司於上市日期已發行股本的10%（假設不行使超額配股權）。

於本年報日期，購股權計劃項下可供發行股份總數為80,362,700股股份，相當於本年報日期已發行股份的6.2%。

5. 各參與者可獲授權益的上限

於截至授出日期止任何12個月期間，於行使購股權計劃項下授予任何承授人的購股權（包括已行使、已註銷及尚未行使的購股權）時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

提呈授出可由提呈日期起計14個日內供有關合資格參與者接納，但於購股權計劃的有效期限屆滿後，則不可接納授出的提呈。若本公司於最後接納日期當天或之前接獲承授人正式簽署的要約文件副本（包括購股權接納文件）（「要約文件」）連同以本公司為受益人匯款1.00港元作為授出購股權的對價，則購股權應被視為已授出（惟受購股權計劃若干限制的規限）予合資格參與者（「承授人」），已被合資格參與者接受，且在簽發認購證書時視作已生效。有關匯款無論如何不得退還，且應視作支付行使價格的一部分。一旦獲接納，購股權即從提呈要約之日起授出給相關承授人。

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

There is no general requirement that an option must be held for any minimum period before it can be exercised. The period during which an option may be exercised in accordance with the terms of the Share Option Scheme (the "Option Period") shall be the period of time to be notified by our Board to each Grantee as determined by the Board in its absolute discretion, save that such period shall not exceed 10 years from the commencement date of the vesting period as stated in the respective Grantee's Offer Document.

8. Basis of determining the subscription price

The price per share for subscription by a Grantee pursuant to the exercise of share options (the "Exercise Price") shall be determined by the Board, but in any event shall not be lower than the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on the date an option is offered (the "Offer Date");
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date; and
- (iii) the nominal value of the Shares.

During the year ended December 31, 2016, no share option had been granted, exercised, expired, cancelled or lapsed and there is no outstanding share option under the Share Option Scheme.

7. 對行使購股權前必須持有的最低期限

並無有關購股權於可行使前須持有任何最短期限之一般規定。根據購股權計劃的條款可行使購股權的期間(「購股權期間」)應為董事會按其絕對酌情決定向各承授人通知的期間，惟該期間不得超過自各承授人的要約文件所述的歸屬期間開始日期起計10年。

8. 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) 購股權獲提呈當日(「提呈日期」)聯交所每日報價表所列股份的官方收市價；
- (ii) 緊接提呈日期前五個營業日，聯交所每日報價表所列股份的平均官方收市價；及
- (iii) 股份面值。

截至2016年12月31日止年度，概無購股權已授出、行使、到期、註銷或失效，以及概無根據購股權計劃尚未行使的購股權。

SHARE AWARD SCHEME

The Company has adopted the Share Award Scheme as a means to recognise the contribution of and provide incentives for the key management personnel including Directors and senior management, employed experts and core employees of the Group. The Share Award Scheme shall be valid and effective for a period of 10 years commencing from July 7, 2014 (the "Adoption Date") on which the Board adopted the Share Award Scheme and is administrated by the Board and the trustee of the Share Award Scheme.

In order to provide more flexibility in the administration and implementation of the Share Award Scheme, the Board resolved on May 25, 2015 to make amendments to the terms of the Share Award Scheme and the Scheme Rules, having retrospective effect from the Adoption Date, to the effect that the Board may, from time to time, in its absolute discretion, determine if the Award Shares shall be granted to a Selected Participant with or without payment of a price per Award Share payable by the Selected Participant (the "Grant Price") which shall be notified by the Board to each Selected Participant. In determining whether the Selected Participant shall pay a Grant Price for the Award Shares and the amount of the Grant Price, as the case may be, the Board shall take into consideration matters, including but not limited to the Selected Participant's position, experience, years of service, performance and contribution to the Company, its subsidiaries and/or associated entities.

The Board will implement the Share Award Scheme in accordance with the Scheme Rules including but not limited to providing necessary funds to the trustee for purchase of no more than 5% of the total number of issued Shares of the Company as at the Adoption Date with each Selected Participant receiving not more than 1% of the total number of issued Shares as at the Adoption Date. The Company shall comply with the relevant Listing Rules when granting the Award Shares. If the Award Shares are granted to the Directors, such award shall constitute connected transaction under Chapter 14A of the Listing Rules and the Company shall comply with the relevant requirements under the Listing Rules.

股份獎勵計劃

本公司已採納股份獎勵計劃作為嘉許本集團主要管理人員（包括董事及高級管理層）、僱用專家及核心僱員所作出的貢獻及為彼等提供獎勵的方式。股份獎勵計劃自2014年7月7日（「採納日期」），即董事會採納股份獎勵計劃之日期起計10年期間有效及生效，並由董事會及股份獎勵計劃的受託人管理。

董事會為了就管理及執行股份獎勵計劃提供更高靈活性，董事會於2015年5月25日議決修訂股份獎勵計劃之條款及計劃規則，自採納日期起追溯生效，以示明董事會可不時絕對酌情決定向獲選參與者授出獎勵股份時，相關獲選參與者是否應付每股獎勵股份價格（「授出價格」），須由董事會知會各獲選參與者。於釐定獲選參與者是否須就獎勵股份支付授出價及授出價以及其金額（視乎情況而定）時，董事會應考慮（其中包括但不限於）獲選參與者之職位、經驗、服務年期、表現及對本公司、其附屬公司及／或關聯實體之貢獻。

董事會將根據股份獎勵計劃的規則實施該計劃，包括但不限於為受託人提供必要資金以購買不超過採納日期本公司已發行股份總數5%的股份，而各名獲選參與者將收取不超過採納日期已發行股份總數1%的股份。本公司於授出獎勵股份時應遵守相關上市規則。倘向董事授予獎勵股份，有關獎勵將構成上市規則第十四A章下的關連交易，而本公司應遵守上市規則下的相關規定。

Directors' Report 董事會報告

Since the Adoption Date of Share Award Scheme and up to December 31, 2016, an aggregate of 11,075,200 Award Shares were granted pursuant to the Share Award Scheme subject to certain vesting criteria and conditions. As of December 31, 2016, 6,173,339 Award Shares which were granted pursuant to the Share Award Scheme remained unvested. The following table discloses the movement of Award Shares granted to the Selected Participants for the year ended December 31, 2016 and outstanding as at December 31, 2016.

自股份獎勵計劃的採納日期，截至2016年12月31日，根據股份獎勵計劃合共授出11,075,200股獎勵股份，惟須受若干歸屬標準及條件所限。截至2016年12月31日，根據股份獎勵計劃授出6,173,339股獎勵股份仍未歸屬。下表披露截至2016年12月31日止年度已授權獲選參與者的獎勵股份的變動，以及於2016年12月31日的尚未行使獎勵股份。

Category or name of participants	參與者類別 或名稱	Number of Award Shares 獎勵股份數目					Outstanding as at 2016.12.31 於2016年12月31日 尚未行使	Share price at grant 授出日期 股價 HK\$ 港元	Grant price 授出價格 HK\$ 港元	Grant date 授出日期
		Outstanding as at 2016.1.1 於2016年1月1日 尚未行使 (Restated) (重述)	Granted during the year 年內授出	Vested during the year 年內歸屬	Cancelled/lapsed during the year 年內註銷 /失效	Outstanding as at 2016.12.31 於2016年12月31日 尚未行使				
Directors:	董事：									
Cheng Libing	成立兵	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Xu Zechang	徐澤昌	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Liang Hongze	梁洪澤	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Jiang Tianfan ¹	江天帆 ¹	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Zhang Xiaodan ²	張曉丹 ²	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Shan Baojie ³	單寶傑 ³	110,000	-	110,000	-	-	14.92	-	25/05/2015	
Sub-total	小計	660,000	-	660,000	-	-				
Employees	僱員	660,200	-	660,200	-	-	14.92	-	25/05/2015	
Employees	僱員	3,611,000	-	1,203,664	-	2,407,336	14.92	12.68	25/05/2015	
Employees	僱員	3,759,000	-	1,252,997	-	2,506,003	14.92	-	25/05/2015	
Employees	僱員	712,000	-	-	-	712,000	8.98	9.21	22/12/2015	
Employees	僱員	548,000	-	-	-	548,000	8.98	-	22/12/2015	
Sub-total	小計	9,290,200	-	3,116,861	-	6,173,339				
Total	總計	9,950,200	-	3,776,861	-	6,173,339				

Notes:

- Mr. Jiang Tianfan resigned as executive Director on November 25, 2016.
- Mr. Zhang Xiaodan resigned as executive Director on December 28, 2016.
- Mr. Shan Baojie resigned as executive Director on November 25, 2016.

附註：

- 江天帆先生於2016年11月25日辭任執行董事。
- 張曉丹先生於2016年12月28日辭任執行董事。
- 單寶傑先生於2016年11月25日辭任執行董事。

The balance of the Shares not yet granted and held by the trustee for the Share Award Scheme was 7,113,300 Shares as of December 31, 2016. Subsequently, the trustee for the Share Award Scheme was instructed to purchase an aggregate of 8,000,000 Shares at the average price of HK\$10.4245 per Share on April 10, 2017 and an aggregate of 3,000,000 Shares at the average price of HK\$10.3894 per Share on April 11, 2017 from the market, following which the balance of the Shares not yet granted and held by the trustee for the Share Award Scheme was 18,113,300 Shares.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As of December 31, 2016, the following persons (other than the Directors and chief executives of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and entered into the register required to be kept by the Company under section 336 of the SFO, or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company.

於2016年12月31日，尚未授出及由股份獎勵計劃受託人持有的股份結餘為7,113,300股。其後，股份獎勵計劃受託人於2017年4月10日及2017年4月11日分別接獲指示按平均價格每股10.4245港元及每股10.3894港元從市場購回合共8,000,000股及3,000,000股股份。此後，尚未授出及由股份獎勵計劃受託人持有的股份結餘為18,113,300股。

主要股東及其他人士於股份及相關股份之權益

於2016年12月31日，以下人士（不包括本公司董事及最高行政人員）於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部之條文須予披露，及記錄於本公司根據證券及期貨條例第336條規定存置之登記冊內之權益及／或淡倉，或直接或間接擁有本公司已發行股本中5%或以上的權益。

Directors' Report

董事會報告

Name of Shareholder 股東名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 持有股份數目	Approximate percentage of shareholding 持股概約百分比
China Resources National Corporation 中國華潤總公司	Interest in Controlled Corporation 受控法團權益	462,913,516 (L) ¹	35.70
Speed Key Limited	Beneficial owner 實益擁有人	181,401,360 (L) ²	13.99
Xu Baorui 徐寶瑞	Interest in Controlled Corporation 受控法團權益	181,401,360 (L) ²	13.99
CITIC Group Corporation 中國中信集團有限公司	Interest in Controlled Corporation 受控法團權益	130,571,837 (L) ³	10.07
CITIC Medical & Health Group Co., Ltd 中信醫療健康產業集團有限公司	Beneficial owner 實益擁有人	130,571,837 (L) ³	10.07

L: Long position

L: 好倉

Notes:

附註：

- These shares are directly held by CRH (Phoenix Healthcare) Limited. CRH (Phoenix Healthcare) Limited is wholly owned by China Resources Healthcare Group Limited. China Resources Healthcare Group Limited is wholly owned by CRH (Healthcare) Limited. CRH (Healthcare) Limited is wholly owned by China Resources (Holdings) Company Limited. China Resources (Holdings) Company Limited is wholly owned by CRC Bluesky Limited. CRC Bluesky Limited is wholly owned by China Resources Co., Limited. China Resources Co., Limited is wholly owned by China Resources National Corporation.
- These shares are held by Speed Key Limited, of which 95% interests are held by Mr. Xu Baorui.
- These shares are to be issued to CITIC Medical & Health Group Co., Ltd pursuant to the sale and purchase agreement dated October 28, 2016 in relation to the acquisition of Huizhou Hospital and Hangzhou Hospitals, which is not completed. CITIC Medical & Health Group Co., Ltd is wholly owned by CITIC Group Corporation.

- 該等股份由華潤集團(鳳凰醫療)有限公司直接持有。華潤集團(鳳凰醫療)有限公司由華潤醫療集團有限公司全資擁有。華潤醫療集團有限公司由華潤集團(醫療)有限公司全資擁有。華潤集團(醫療)有限公司由華潤(集團)有限公司全資擁有。華潤(集團)有限公司由CRC Bluesky Limited全資擁有。CRC Bluesky Limited由華潤股份有限公司全資擁有。華潤股份有限公司由中國華潤總公司全資擁有。
- 該等股份由Speed Key Limited持有，徐寶瑞先生持有Speed Key Limited的95%權益。
- 根據日期為2016年10月28日有關收購惠州醫院及杭州醫院尚未完成的買賣協議，該等股份將發行予中信醫療健康產業集團有限公司。中信醫療健康產業集團有限公司由中國中信集團有限公司全資擁有。

Save as disclosed above, as of December 31, 2016, the Directors were not aware of any person (other than the Directors or chief executives of the Company) who had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

DIRECTORS' RIGHT TO ACQUIRE SECURITIES

Save as the details as set out in the paragraphs headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associated Corporations", "Share Option Scheme" and "Share Award Scheme" under the section headed "Management Discussion and Analysis", at no time during the year ended December 31, 2016 any right to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate has been granted to Directors or their respective spouse or children under the age of 18, and none of any such right has been exercised by them; and none of the Company and any of its subsidiaries has been a party to any arrangement to enable the Directors, or their respective spouse or children under the age of 18, to acquire such rights in any other body corporate.

CONNECTED TRANSACTIONS

Save for the transactions disclosed below, none of the Directors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party during the year ended December 31, 2016.

除上述披露者外，於2016年12月31日，董事並無知悉任何人士（不包括本公司董事或最高行政人員）於本公司股份或相關股份中擁有記載於本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉。

董事收購證券的權利

除「管理層討論與分析」一節「董事及最高行政人員於本公司或其相聯法團股份、相關股份及債權證之權益及淡倉」、「購股權計劃」及「股份獎勵計劃」數段所載之詳情外，於截至2016年12月31日止年度內任何時間概無授予董事或彼等各自之配偶或未滿18歲之子女可藉收購本公司或任何其他法團之股份或債券而獲益之權利；而彼等亦無行使任何有關權利；且本公司及其任何附屬公司亦無訂立任何安排令董事或彼等各自之配偶或未滿18歲之子女可收購任何其他法團之有關權利。

關連交易

除下列披露的交易外，截至2016年12月31日止年度，概無董事於對本集團業務而言屬重大而於當中本公司、其控股公司或其任何附屬公司或同系附屬公司為訂約的一方之任何合約中直接或間接擁有重大權益。

I. CONNECTED TRANSACTION

Major and Connected Transaction in relation to the Acquisition of Ample Mighty

The Company entered into the term sheet dated April 8, 2016, the supplemental term sheet dated April 29, 2016 and the sale and purchase contract dated August 30, 2016 with the seller, CR Healthcare Group, pursuant to which the Company agreed to acquire, and the seller agreed to sell, the entire equity interest in Ample Mighty, through which the Company would acquire the assets and the equity interests of and/or the right to operate Xukuang Hospital, Huaikuang Hospital Group, Brain Hospital, 999 Clinic and Wugang Hospital Group. The consideration for the acquisition is HK\$3,721,824,669, which was satisfied by the Company by way of the allotment and issue of 462,913,516 Shares at the price of HK\$8.04 per Share.

As CR Healthcare Group would become a controller (as defined in the Listing Rules) of the Company upon the completion of the acquisition, the acquisition constituted a connected transaction under Rule 14A.28 of the Listing Rules. The acquisition was completed on October 31, 2016, upon which the seller held approximately 35.7% of the issued share capital of the Company as enlarged by the allotment and issue of the consideration shares.

Please refer to the Company's announcements dated April 8, 2016, May 3, 2016, August 30, 2016 and October 31, 2016 and circular dated October 7, 2016 for details of the acquisition of Ample Mighty.

I. 關連交易

有關收購廣雄的主要及關連交易

本公司與賣方華潤醫療集團訂立日期為2016年4月8日的條款書、日期為2016年4月29日的補充條款書及日期為2016年8月30日的買賣合同，據此，本公司同意收購，而賣方同意出售廣雄的全部股權，而本公司將藉此收購徐礦醫院、淮礦醫院集團、腦科醫院、三九門診部及武鋼醫院集團的資產及股權及／或運營權。收購事項之代價為3,721,824,669港元，並已由本公司藉按每股股份8.04港元之價格配發及發行462,913,516股股份償付。

由於華潤醫療集團將於收購事項完成後成為本公司之控制人（定義見上市規則），根據上市規則第14A.28條，收購事項構成關連交易。收購事項已於2016年10月31日完成，而賣方於完成後持有之股份佔經配發及發行代價股份擴大之本公司已發行股本約35.7%。

有關收購廣雄的詳情，請參閱本公司日期為2016年4月8日、2016年5月3日、2016年8月30日及2016年10月31日的公告以及日期為2016年10月7日的通函。

II. CONTINUING CONNECTED TRANSACTIONS

Yan Hua IOT Agreement

Beijing Phoenix, a wholly-owned subsidiary of the Company, entered into the hospital management right and investment framework agreement dated February 1, 2008 and the hospital investment management agreement dated February 4, 2008, both of which were supplemented in April 2008, December 2010, June 2011, June 2013, July 2013, September 2013 and October 2013, with Yan Hua Phoenix and Yan Hua Hospital Group (collectively, the "Yan Hua IOT Agreement"). Pursuant to the Yan Hua IOT Agreement, Beijing Phoenix has agreed to (i) pay Yan Hua Phoenix an amount of RMB72 million; and (ii) invest a total of RMB150 million by tranches into Yan Hua Hospital Group prior to 2015, in exchange for the right to manage Yan Hua Hospital, to receive the management fees from Yan Hua Hospital Group until July 17, 2055, and to support the long-term development of Yan Hua Hospital Group. The term of the Yan Hua IOT Agreement is from February 1, 2008 to July 17, 2055, which is subject to approval by the independent Shareholders of the Group every three years.

As the original annual caps under the Yan Hua IOT Agreement expired on December 31, 2015, and given the term of the Yan Hua IOT Agreement is subject to approval by the independent Shareholders every three years and the significant contribution of the management fees contributes to the source of revenue of the Group, the Company proposed to continue the Yan Hua IOT Agreement and proposed to renew the annual caps for the three financial years ended December 31, 2018, which was approved at the extraordinary general meeting on October 31, 2016.

II. 持續關連交易

燕化IOT協議

本公司全資附屬公司北京鳳凰與燕化鳳凰及燕化醫院集團訂立日期為2008年2月1日的醫院管理權及投資框架協議及日期為2008年2月4日的醫院投資管理協議，兩者均於2008年4月、2010年12月、2011年6月、2013年6月、2013年7月、2013年9月及2013年10月予以補充（統稱「燕化IOT協議」）。根據燕化IOT協議，北京鳳凰同意(i)支付燕化鳳凰人民幣72百萬元；及(ii)於2015年前向燕化醫院集團分批次投資總額人民幣150百萬元，以取得燕化醫院管理權並從燕化醫院集團收取管理費用直至2055年7月17日，並支援燕化醫院集團的長期發展。燕化IOT協議期限為2008年2月1日至2055年7月17日，該協議需每三年由本集團獨立股東審批。

由於燕化IOT協議項下之原年度上限已於2015年12月31日到期，同時，燕化IOT協議的期限須由獨立股東每三年審批一次，且收取的管理費用是本集團收益的重要組成部分，本公司計劃延續燕化IOT協議，並提請更新截至2018年12月31日止三個財政年度的年度上限，有關年度上限已於2016年10月31日的股東特別大會上獲得批准。

The approved annual caps for the management fees and the investment repayment under the Yan Hua IOT Agreement for the three financial years ended December 31, 2018 are as follows:

截至2018年12月31日止三個財政年度，燕化IOT協議項下的管理費用及投資返還的經批准年度上限如下：

		For the financial year ended December 31, 2016 截至2016年 12月31日 止財政年度	For the financial year ended December 31, 2017 截至2017年 12月31日 止財政年度	For the financial year ended December 31, 2018 截至2018年 12月31日 止財政年度
Annual cap on the management fees	管理費用年度上限	RMB39.9 million 人民幣39.9百萬元	RMB47.3 million 人民幣47.3百萬元	RMB55.7 million 人民幣55.7百萬元
Annual cap on the investment repayment	投資返還年度上限	RMB3.6 million 人民幣3.6百萬元	RMB3.6 million 人民幣3.6百萬元	RMB3.6 million 人民幣3.6百萬元
Total	總計	RMB43.5 million 人民幣43.5百萬元	RMB50.9 million 人民幣50.9百萬元	RMB59.3 million 人民幣59.3百萬元

During the year ended December 31, 2016, the amounts of the management fees and the investment repayment under the Yan Hua IOT Agreement paid/payable by Yan Hua Hospital Group were RMB35.8 million and RMB3.6 million, respectively.

截至2016年12月31日止年度，燕化醫院集團根據燕化IOT協議已付／應付管理費用及投資返還分別為人民幣35.8百萬元及人民幣3.6百萬元。

The sponsor for Yan Hua Hospital is Yan Hua Phoenix, which is indirectly owned by Ms. Xu Jie, the then executive Director (resigned on November 25, 2016), and Ms. Xu Xiaojie, daughter of Ms. Xu Jie. Speed Key Limited, a substantial shareholder of the Company, was then wholly-owned by Mr. Xu Baorui, the father of Ms. Xu Jie. Thus, Yan Hua Phoenix and Yan Hua Hospital Group are connected persons of the Company as defined under the Listing Rules.

燕化醫院的舉辦人為燕化鳳凰，而燕化鳳凰由當時的執行董事徐捷女士（於2016年11月25日辭任）及徐捷女士的女兒徐小捷女士間接擁有。本公司主要股東Speed Key Limited當時由徐捷女士的父親徐寶瑞先生全資所有。因此，燕化鳳凰及燕化醫院集團為本公司的關連人士（定義見上市規則）。

Please refer to the Company's announcements dated July 8, 2016 and October 31, 2016 and circular dated October 14, 2016 for details of the Yan Hua IOT Agreement.

有關燕化IOT協議的詳情，請參閱本公司日期為2016年7月8日及2016年10月31日的公告以及日期為2016年10月14日的通函。

Yan Hua PMM Framework Agreement

Beijing Wanrong, Beijing Jiayi, Beijing Phoenix and Yan Hua Hospital Group entered into the pharmaceutical, medical device and medical consumables sales framework agreement (the “Original Yan Hua PMM Framework Agreement”) on November 6, 2013. Beijing Wanrong and Beijing Jiayi are both wholly owned subsidiaries of the Company. As the Original Yan Hua PMM Framework Agreement would expire on November 5, 2016, Beijing Wanrong, Beijing Jiayi, Beijing Phoenix and Yan Hua Hospital Group entered into the supplemental agreement in relation to the extension of the term of the Original Yan Hua PMM Framework Agreement (the “Supplemental Yan Hua PMM Framework Agreement”, together with the Original Yan Hua PMM Framework Agreement, the “Yan Hua PMM Framework Agreement”) on July 8, 2016 to extend the term of the Original Yan Hua PMM Framework Agreement until December 31, 2018. As the original annual caps under the Yan Hua PMM Framework Agreement expired on December 31, 2015, the Company proposed to renew the annual caps for the three financial years ended December 31, 2018. The Supplemental Yan Hua PMM Framework Agreement and the proposed annual caps for Yan Hua PMM Framework Agreement were approved at the extraordinary general meeting on October 31, 2016.

Pursuant to the Yan Hua PMM Framework Agreement, Beijing Wanrong and Beijing Jiayi have agreed to supply, and Yan Hua Hospital Group has agreed to purchase, PMM on a recurring basis. Under such sales arrangement, Yan Hua Hospital Group places purchase orders for PMM to Beijing Wanrong and Beijing Jiayi from time to time and Beijing Wanrong and Beijing Jiayi fulfill the orders by selling the products to Yan Hua Hospital Group at a price equal to the “bidding price” of the products fixed by the PRC regulators or the prevailing market price.

燕化藥品、醫療器械及醫用耗材框架協議

北京萬榮、北京佳益、北京鳳凰及燕化醫院集團於2013年11月6日訂立藥品、醫療器械及醫用耗材銷售框架協議（「原燕化藥品、醫療器械及醫用耗材框架協議」）。北京萬榮及北京佳益均為本公司的全資附屬公司。鑑於原燕化藥品、醫療器械及醫用耗材框架協議於2016年11月5日到期，北京萬榮、北京佳益、北京鳳凰及燕化醫院集團於2016年7月8日就延長原燕化藥品、醫療器械及醫用耗材框架協議訂立補充協議（「補充燕化藥品、醫療器械及醫用耗材框架協議」，連同原燕化藥品、醫療器械及醫用耗材框架協議統稱「燕化藥品、醫療器械及醫用耗材框架協議」），以將原燕化藥品、醫療器械及醫用耗材框架協議的期限延長至2018年12月31日。由於燕化藥品、醫療器械及醫用耗材框架協議項下的原年度上限於2015年12月31日到期，本公司提請更新截至2018年12月31日止三個財政年度的年度上限。補充燕化藥品、醫療器械及醫用耗材框架協議及燕化藥品、醫療器械及醫用耗材框架協議的建議年度上限已於2016年10月31日的股東特別大會上獲得批准。

根據燕化藥品、醫療器械及醫用耗材框架協議，北京萬榮及北京佳益同意常年供應而燕化醫院集團則同意採購藥品、醫療器械及醫用耗材。根據該銷售安排，燕化醫院集團會不時向北京萬榮及北京佳益下達藥品、醫療器械及醫用耗材採購訂單，而北京萬榮及北京佳益會執行訂單，按相等於中國監管機構確定的產品「招標價」或現行市價的價格向燕化醫院集團銷售產品。

The approved annual caps under the Yan Hua PMM Framework Agreement for the three financial years ended December 31, 2018 are as follows:

截至2018年12月31日止三個財政年度，燕化藥品、醫療器械及醫用耗材框架協議項下的經批准年度上限如下：

	For the financial year ended December 31, 2016 截至2016年12月31日止財政年度	For the financial year ended December 31, 2017 截至2017年12月31日止財政年度	For the financial year ended December 31, 2018 截至2018年12月31日止財政年度
Annual cap 年度上限	RMB400.8 million 人民幣400.8百萬元	RMB570.7 million 人民幣570.7百萬元	RMB713.5 million 人民幣713.5百萬元

During the year ended December 31, 2016, the amount of the purchase orders under the Yan Hua PMM Framework Agreement paid/payable by Yan Hua Hospital Group was RMB278.1 million.

截至2016年12月31日止年度，燕化醫院集團根據燕化藥品、醫療器械及醫用耗材框架協議已付／應付採購訂單金額為人民幣278.1百萬元。

The sponsor for Yan Hua Hospital is Yan Hua Phoenix, which is indirectly owned by Ms. Xu Jie, the then executive Director (resigned on November 25, 2016), and Ms. Xu Xiaojie, daughter of Ms. Xu Jie. Speed Key Limited, a substantial shareholder of the Company, was then wholly-owned by Mr. Xu Baorui, the father of Ms. Xu Jie. Thus, Yan Hua Phoenix and Yan Hua Hospital Group are connected persons of the Company as defined under the Listing Rules.

燕化醫院的舉辦人為燕化鳳凰，而燕化鳳凰由當時的執行董事徐捷女士（於2016年11月25日辭任）及徐捷女士的女兒徐小捷女士間接擁有。本公司主要股東Speed Key Limited當時由徐捷女士的父親徐寶瑞先生全資所有。因此，燕化鳳凰及燕化醫院集團為本公司的關連人士（定義見上市規則）。

Please refer to the Company's announcements dated July 8, 2016 and October 31, 2016 and circular dated October 14, 2016 for details of the Yan Hua PMM Framework Agreement.

有關燕化藥品、醫療器械及醫用耗材框架協議的詳情，請參閱本公司日期為2016年7月8日及2016年10月31日的公告以及日期為2016年10月14日的通函。

CR PMM Framework Agreement

In contemplation of the Company's acquisition of Ample Mighty from CR Healthcare Group and the supply of the PMM by CR Holdings, the Company and CR Holdings enter into the PMM supply framework agreement (the "CR PMM Framework Agreement") on October 5, 2016. The term of the CR PMM Framework Agreement is from the date of completion of the acquisition of Ample Mighty or the date of the approval of the CR PMM Framework Agreement by the independent Shareholders (whichever is the later) to December 31, 2018, subject to renewal for another three years by mutual consent and negotiation between the parties. The CR PMM Framework Agreement and the proposed caps thereunder were approved at the extraordinary general meeting on October 31, 2016.

華潤集團藥品、醫療器械及醫用耗材框架協議

考慮到本公司向華潤醫療集團收購廣雄及華潤集團供應藥品、醫療器械及醫用耗材，本公司與華潤集團於2016年10月5日訂立藥品、醫療器械及醫用耗材供應框架協議（「華潤集團藥品、醫療器械及醫用耗材框架協議」）。華潤集團藥品、醫療器械及醫用耗材框架協議的期限自完成收購廣雄日期或獨立股東批准華潤集團藥品、醫療器械及醫用耗材框架協議日期（以較遲者為準）起至2018年12月31日，並可經訂約方相互同意及協商後續約三年。華潤集團藥品、醫療器械及醫用耗材框架協議及其項下的建議上限已於2016年10月31日的股東特別大會上獲得批准。

Pursuant to the CR PMM Framework Agreement, CR Holdings may, through its subsidiaries, supply PMM to the Group and its sponsored hospitals from time to time. The Group and its sponsored hospitals may place purchase orders for PMM with CR Holdings or its subsidiaries from time to time and CR Holdings or its subsidiaries may sell the products to the Group and its sponsored hospitals at a price in accordance with the agreed pricing policy. The details of each purchase order, including price, payment terms and delivery arrangement, are to be separately agreed in accordance with the principles laid down in the CR PMM Framework Agreement.

The approved caps under the CR PMM Framework Agreement for the period from November 1, 2016 or the completion date of the acquisition of Ample Mighty, whichever is the earlier, to December 31, 2016 and the two financial years ended December 2018 are as follows:

根據華潤集團藥品、醫療器械及醫用耗材框架協議，華潤集團可不時透過其附屬公司向本集團及其舉辦醫院供應藥品、醫療器械及醫用耗材。本集團及其舉辦醫院可不時向華潤集團或其附屬公司發出藥品、醫療器械及醫用耗材的購買訂單，而華潤集團或其附屬公司可按議定定價政策釐定的價格向本集團及其舉辦醫院銷售產品。各購買訂單的詳情（包括價格、支付條款及交付安排）將根據華潤集團藥品、醫療器械及醫用耗材框架協議中規定的原則另行議定。

自2016年11月1日或完成收購廣雄日期（以較早者為準）起至2016年12月31日的期間及截至2018年12月31日止兩個財政年度，華潤集團藥品、醫療器械及醫用耗材框架協議項下的經批准上限如下：

		The period from November 1, 2016 or the completion date, whichever is the earlier, to December 31, 2016 自2016年11月1日 或完成日期 (以較早者為準) 起至2016年 12月31日的期間	Financial year ended December 31, 2017 截至2017年 12月31日 止財政年度	Financial year ended December 31, 2018 截至2018年 12月31日 止財政年度
Wugang Hospital Group	武鋼醫院集團	RMB23 million 人民幣23百萬元	RMB202 million 人民幣202百萬元	RMB216 million 人民幣216百萬元
Huailiang Hospital Group	淮礦醫院集團	RMB36 million 人民幣36百萬元	RMB247 million 人民幣247百萬元	RMB247 million 人民幣247百萬元
The Group and Xukuang Hospital, Brain Hospital and 999 Clinic	本集團以及徐礦醫院、 腦科醫院及 三九門診部	RMB7.5 million 人民幣7.5百萬元	RMB60 million 人民幣60百萬元	RMB75.5 million 人民幣75.5百萬元
Total	總計	RMB66.5 million 人民幣66.5百萬元	RMB509 million 人民幣509百萬元	RMB538.5 million 人民幣538.5百萬元

For the period from October 31, 2016 to December 31, 2016, the amount of the purchase orders under the CR PMM Framework Agreement paid/payable by the Group was RMB64.3 million.

Upon the completion of the Company's acquisition of Ample Mighty on October 31, 2016, CR Holdings became a controlling shareholder and a connected person of the Company.

Please refer to the Company's announcement October 5, 2016 and October 31, 2016 and circular dated October 7, 2016 for details of CR PMM Framework Agreement.

III. CONTINUING TRANSACTIONS WHICH SUBSEQUENTLY BECAME CONNECTED

Finance Lease Agreement of Huaikuang Hospital Group

Huaikuang Hospital Group, as lessee, entered into the financial lease agreement dated May 3, 2016 (the "Finance Lease Agreement") with China Resources Leasing Company Limited Shanghai Branch* (華潤租賃有限公司上海分公司) ("CR Leasing"), as lessor, in relation to the finance lease of certain medical device in the amount of RMB1.86 million for a term of 36 months at the interest rate of 3.75% per annum (subject to adjustment). The lease was agreed by the parties with reference to the useful life of the relevant leased equipment, the lessee's financial needs and the lessor's capital position. CR Holdings holds 100% equity interest in CR Leasing. Upon the completion of the Company's acquisition of Ample Mighty on October 31, 2016, the Finance Lease Agreement constituted continuing connected transaction of the Company, although all of its terms remain unchanged. As the Finance Lease Agreement is an existing agreement for a fixed period with fixed terms which subsequently became connected, the Company will comply with the annual review and annual reporting requirements in accordance with Rule 14A.60 of the Listing Rules. In the event of any variation of the terms or renewal of the Finance Lease Agreement, the Company will comply with all connected transaction requirements including, where applicable, the requirement to seek independent Shareholders' approval.

自2016年10月31日起至2016年12月31日止期間，本集團根據華潤集團藥品、醫療器械及醫用耗材框架協議已付／應付採購訂單金額為人民幣64.3百萬元。

於本公司在2016年10月31日完成收購廣雄後，華潤集團成為本公司的控股股東及關連人士。

有關華潤集團藥品、醫療器械及醫用耗材框架協議的詳情，請參閱本公司日期為2016年10月5日及2016年10月31日的公告以及日期為2016年10月7日的通函。

III. 其後成為關連交易的持續交易

淮礦醫院集團的融資租賃協議

淮礦醫院集團（作為承租方）與華潤租賃有限公司上海分公司（「華潤租賃」）（作為出租方）訂立日期為2016年5月3日的融資租賃協議（「融資租賃協議」），內容有關若干款項為人民幣1.86百萬元的醫療器械的融資租賃，為期36個月並以年利率3.75%（可予調整）計息。該租賃乃經訂約方參照相關租賃設備的可使用年期、承租方的財務需求及出租方的資本狀況而協定。華潤集團持有華潤租賃的100%股權。於本公司在2016年10月31日完成收購廣雄後，儘管融資租賃協議的所有條款保持不變，其構成本公司的持續關連交易。由於融資租賃協議為具有固定期限及固定條款的現有協議，並於其後成為關連交易，本公司將根據上市規則第14A.60條遵守年度審閱及年度申報的規定。倘融資租賃協議的條款出現任何變更或融資租賃協議獲重續，本公司將遵守所有關連交易的規定，包括尋求獨立股東批准的規定（如適用）。

Please refer to the Company's announcement dated October 5, 2016 for details of the Finance Lease Agreement.

Depository Services of Brain Hospital

Brain Hospital has placed certain fixed term deposit (the "Deposit") with CR Bank. As at 31 October 2016, Brain Hospital had the balance of the Deposit amounted to RMB10 million in CR Bank. The Deposit was withdrawn in December 2016. The Deposit is interest bearing and is on terms no less favourable than those offered by CR Bank in relation to similar deposits placed by other independent customers, which rate is determined with reference to that published by the People's Bank of China. China Resources Co., Limited, a joint stock limited liability company and the holding company of CR Holdings, holds 75.33% equity interest in CR Bank. Upon the completion of the Company's acquisition of Ample Mighty on October 31, 2016, the Deposit constituted continuing connected transaction of the Company, although all of its terms remain unchanged. As the Deposit is an existing agreement for a fixed period with fixed terms which subsequently became connected, the Company will comply with the annual review and annual reporting requirements in accordance with Rule 14A.60 of the Listing Rules.

Please refer to the Company's announcement dated October 5, 2016 for details of the Deposit.

The Group has followed the pricing policies (if applicable) as disclosed in the respective announcements and circulars when determining the price and terms of the connected transactions conducted during the year ended December 31, 2016.

有關融資租賃協議的詳情，請參閱本公司日期為2016年10月5日的公告。

腦科醫院的存款服務

腦科醫院已將若干定期存款（「存款」）存放於珠海華潤銀行。於2016年10月31日，腦科醫院存放於珠海華潤銀行的存款餘額為人民幣1,000萬元。存款已於2016年12月提取。存款按不遜於珠海華潤銀行向其他獨立客戶存放的類似存款提供的條款計息，其利率乃參照中國人民銀行公佈的利率釐定。華潤股份有限公司為一間股份有限公司及華潤集團的控股公司，並持有珠海華潤銀行的75.33%股權。於本公司在2016年10月31日完成收購廣雄後，儘管存款的所有條款保持不變，其構成本公司的持續關連交易。由於存款為具有固定期限及固定條款的現有協議，並於其後成為關連交易，本公司將根據上市規則第14A.60條遵守年度審閱及年度申報的規定。

有關存款的詳情，請參閱本公司日期為2016年10月5日的公告。

在釐定2016年12月31日止年度進行的關連交易價格及條款時，本集團已遵循相關公告及通函所披露的定價政策（如適用）。

Annual review of continuing connected transactions

Pursuant to Rule 14A.56 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Board engaged the auditor of the Company to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in pages 75 to 81 of the Annual Report in accordance with Rule 14A.56 of the Rules Governing the Listing Securities on the Stock Exchange of Hong Kong Limited.

The independent non-executive Directors have reviewed the above-mentioned continuing connected transactions and confirmed that for the year ended December 31, 2016:

- (i) these transactions were entered into in the ordinary and usual course of business of the Group;
- (ii) these transactions were entered into either on normal commercial terms, or on terms no less favourable to the Group than terms available to or from independent third parties;
- (iii) these transactions were entered into on terms that were fair and reasonable and in the interests of the Shareholders as a whole.

Save as disclosed above, none of the related-party transactions or continuing related-party transactions set out in note 40 to the consolidated financial statements in this annual report fall within the scope of discloseable connected transaction or continuing connected transaction under the Listing Rules. The connected and continuing connected transactions of the Group are in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

持續關連交易的年度審閱

根據香港聯合交易所有限公司證券上市規則第14A.56條，本公司核數師已獲董事會委聘，按照香港會計師公會頒佈之香港鑑證業務準則第3000號「非審核或審閱過往財務資料之鑑證工作」規定，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團之持續關連交易作出報告。核數師已根據香港聯合交易所有限公司證券上市規則第14A.56條就本集團載於年報第75頁至第81頁披露的持續關連交易發出其無保留意見函件，當中載有其調查結果及結論。

獨立非執行董事已審閱上述持續關連交易並確認於截至2016年12月31日止年度：

- (i) 該等交易乃於本集團日常及一般業務過程中訂立；
- (ii) 該等交易已按正常商業條款或按本集團不遜於獨立第三方取得或給予的條款訂立；
- (iii) 該等交易乃按公平合理條款訂立，並符合股東的整體利益。

除上文所披露者外，概無其他載列於本年報綜合財務報表附註40的任何關聯方交易或持續關聯方交易屬於上市規則項下須予披露的關連交易或持續關連交易。本集團關連交易和持續關連交易已符合上市規則第十四A章的披露規定。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

As disclosed in the paragraph headed "Connected Transactions" above, the Company has renewed its Yan Hua IOT Agreement and Yan Hua PMM Framework Agreement with Yan Hua Hospital in FY2016 and the sponsor for Yan Hua Hospital was indirectly owned by Ms. Xu Jie, the former Director, and her daughter, Ms. Xu Xiaojie. Save for the aforementioned, no Director nor any connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party at any time during the year ended December 31, 2016.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

As disclosed in the paragraph headed "Connected Transactions" above, the Company entered into the CR PMM Framework Agreement with CR Holdings, a controlling shareholder of the Company, on October 5, 2016. Save for the aforementioned, no controlling shareholders or its subsidiary had a material interest, either directly or indirectly, in any contract of significance, whether for the provision of services or otherwise, to the business of the Group to which the Company or any of its subsidiaries was a party during the year ended December 31, 2016.

MANAGEMENT CONTRACTS

Other than the service contracts or letters of appointment with the Directors, the Company has not entered into any contract with any individuals, firms or corporate entities to manage or regulate the whole or any substantial part of any business of the Company during the year ended December 31, 2016.

董事於重大交易、安排或合約中的權益

誠如上文「關連交易」一段所披露，本公司已於2016年財政年度內與燕化醫院重續燕化IOT協議及燕化藥品、醫療器械及醫用耗材框架協議，而燕化醫院的舉辦人由當時的董事徐捷女士及其女兒徐小捷女士間接擁有。除上文所述者外，截至2016年12月31日止年度內任何時間，概無董事或董事的任何關連實體於本公司控股公司或本公司的任何附屬公司或同系附屬公司所訂立而對本集團業務屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

控股股東於重大合約中的權益

誠如上文「關連交易」一段所披露，本公司已於2016年10月5日與本公司控股股東華潤集團訂立華潤藥品、醫療器械及醫用耗材框架協議。除上文所述者外，於2016年12月31日止年度內，概無控股股東或其附屬公司於本公司或其任何附屬公司所訂立而對本集團業務屬重大的任何合約（不論是提供服務或其他方面）中直接或間接擁有重大權益。

管理層合約

截至2016年12月31日止年度，除董事服務合約或委任函外，本公司並無與任何個人、商號或法團實體訂立任何合約，以管理或規管本公司任何業務的全部或任何重大部分。

BOARD COMMITTEES

Audit Committee

The Company established the Audit Committee and formulated the Rules and Procedures for Board Meetings (《董事會議事規則》) of the Company in accordance with Rule 3.21 of the Listing Rules and the CG Code on November 4, 2013. Its primary responsibilities include serving as a focal point for communication among other Directors, the external auditor and the internal auditor (where an internal audit function exists) as regards their duties relating to financial and other reporting, risk management and internal controls, external and internal audits and such other financial and accounting matters as the Board determines from time to time, assisting the Board in providing an independent review on the effectiveness of the financial reporting system, risk management and internal control systems of the Group and overseeing the audit procedure, reviewing the Group's financial and accounting policies and practices and performing other duties and responsibilities as designated by the Board.

As of December 31, 2016, the Audit Committee currently comprises one non-executive Director, Mr. Wang Yan and three independent non-executive Directors, namely Mr. Kwong Kwok Kong (committee chairman), Ms. Cheng Hong and Mr. Sun Jianhua. The Audit Committee, together with the management of the Company, has reviewed the accounting principles, accounting standards and methods adopted by the Company, discussed the matters concerning risk management and internal control, auditing and financial reporting matters and reviewed the consolidated financial statements of the Group for the year ended December 31, 2016.

董事委員會

審核委員會

本公司已於2013年11月4日根據上市規則第3.21條及企業管治守則設立審核委員會及本公司《董事會議事規則》，其主要責任包括作為其他董事、外聘核數師及內部審計師（如設內部審計職能）之間有關其財務和其他報告、風險管理及內部監控、外部和內部審計及董事會不時釐定的該等其他財務和會計事宜等方面的職責的主要溝通橋梁，就本集團財務報告制度、風險管理及內部監控制度的成效協助董事會獨立檢討，監督審核程序、審閱本集團的財務及會計政策及常規及履行董事會指定的其他職責和責任。

於2016年12月31日，審核委員會現包括一名非執行董事（王彥先生）及三名獨立非執行董事（即：鄺國光先生（委員會主席）、程紅女士及孫建華先生）。審核委員會連同本公司管理層已經審閱本公司所採納的會計原則、會計準則及方法，討論有關風險管理及內部控制、審核及財務報告事宜及審閱本集團截至2016年12月31日止年度的綜合財務報表。

Remuneration Committee

The Company established the Remuneration Committee and formulated the Rules and Procedures for Board Meetings (《董事會議事規則》) of the Company in compliance with Rule 3.25 of the Listing Rules and the CG Code on November 4, 2013. The Remuneration Committee is mainly responsible for: (i) making recommendations to the Board on the policy and structure for Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) making recommendations to the Board on the remuneration package of Directors and senior management; and (iii) reviewing and evaluating the performance-based remuneration and ensure that no Directors or any of his associates is involved in deciding his own remuneration.

As of December 31, 2016, the Remuneration Committee currently consisted of one executive Director, Mr. Wu Potao, and two independent non-executive Directors, namely, Mr. Sun Jianhua (committee chairman) and Mr. Lee Kar Chung Felix.

Nomination Committee

The Company established the Nomination Committee on November 4, 2013. The Nomination Committee is mainly responsible for: (i) identifying individuals suitably qualified as potential Board members and selecting or making recommendation to the Board on the selection of individuals nominated for directorships; (ii) reviewing the structure, size and diversity of the Board and the required skill mix as well as making recommendations on any proposed changes to the Board to ensure the implementation of the Company's strategic goal; (iii) assessing the independence of independent non-executive Directors; and (iv) reviewing the qualification of senior management nominated by the Chief Executive Officer, reported to the Board for consideration and adoption.

As of December 31, 2016, the Nomination Committee consisted of one non-executive Director, Mr. Liang Hongze, and two independent non-executive Directors, namely, Ms. Cheng Hong (committee chairman) and Mr. Lee Kar Chung Felix.

薪酬委員會

本公司已於2013年11月4日根據上市規則第3.25條以及企業管治守則設立薪酬委員會及本公司《董事會議事規則》，主要職責是：(一)就董事以及高級管理層的薪酬政策與架構，及設立正規而具透明度的程序制定薪酬政策，向董事會提出建議；(二)就董事及高級管理層的薪酬方案向董事會提出建議；及(三)檢討及評估基於績效的薪酬，並確保董事或其任何聯繫人並無參與釐定其自身的薪酬。

於2016年12月31日，薪酬委員會現包括一名執行董事（吳珀濤先生）及兩名獨立非執行董事（即：孫建華先生（委員會主席）及李家聰先生）。

提名委員會

本公司於2013年11月4日設立提名委員會，主要職責是：(一)物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；(二)檢討董事會的架構、人數及成員多元化以及所需的技能組合，並向董事會提出任何改動建議以確保本公司戰略目標的落地；(三)評估獨立非執行董事的獨立性；及(四)對行政總裁提名的高級管理人員任職資格進行覆核，報董事會審議通過。

於2016年12月31日，提名委員會包括一名非執行董事（即：梁洪澤先生）及兩名獨立非執行董事（即：程紅女士（委員會主席）及李家聰先生）。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as rules governing dealings by Directors in the listed securities of the Company.

Having made specific enquiry, the Company confirmed that all members of the Board complied with the Model Code during the year ended December 31, 2016. As senior managers, executives and officers who, because of their offices in the Company, may possess inside information of the Company, they shall comply with the provision of the Model Code. To the best knowledge of the Company, no incident of non-compliance to the Model Code has been committed by such employees during the year ended December 31, 2016.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting to be held on Friday, June 16, 2017, the register of members of the Company will be closed from Tuesday, June 13, 2017 to Friday, June 16, 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as members entitled to attend and vote at the annual general meeting, investors should lodge all transfers of shares accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Monday, June 12, 2017.

優先購股權

章程細則或本公司註冊成立之司法權區開曼群島的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。

標準守則

本公司已採納上市規則附錄十所載標準守則作為管理董事買賣本公司上市證券的規則。

經作出具體查詢後，本公司確認所有董事會成員於截至2016年12月31日止年度均遵守標準守則。基於高級經理、高級行政人員及高級職員於本公司的職務，彼等可能擁有本公司的內幕消息，並須遵守標準守則的條文。就本公司所深知，截至2016年12月31日止年度並無該等僱員違反標準守則的事件。

暫停辦理股份過戶登記

為釐定股東出席於2017年6月16日（星期五）舉行的股東週年大會及於會上投票的資格，本公司將於2017年6月13日（星期二）至2017年6月16日（星期五）（包括首尾兩日）期間內暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記。為符合股東資格出席股東週年大會及於會上投票，投資者務請將所有股份過戶文件連同有關股票於2017年6月12日（星期一）香港時間下午四時三十分前，送交本公司的香港股份過戶登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室）進行登記。

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, June 23, 2017 to Tuesday, June 27, 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Thursday, June 22, 2017.

CODE OF CORPORATE GOVERNANCE PRACTICES

The full text of the Corporate Governance Report is set out on pages 89 to 116 of this annual report.

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

During the year ended December 31, 2016, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF THE PUBLIC FLOAT

Based on the information publicly available and to the best of the Board's knowledge, information and belief, the Company has always maintained sufficient public float as at the date of this annual report.

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 securities.

EVENTS SUBSEQUENT TO DECEMBER 31, 2016

As at the date of this annual report, the Group did not have any significant events after December 31, 2016.

為釐定獲得建議末期股息的資格，本公司將於2017年6月23日（星期五）至2017年6月27日（星期二）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記。為符合資格享有建議末期股息，所有股份過戶文件連同有關股票須於2017年6月22日（星期四）香港時間下午四時三十分前，送交本公司的香港股份過戶登記分處香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室）進行登記。

企業管治常規守則

企業管治報告的全文載於本年報第89至116頁。

購買、出售或贖回本公司上市證券

截至2016年12月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

足夠的公眾持股量

根據公開可獲得的資料及據董事會所深知、盡悉及確信，截至本年報日期，本公司一直維持足夠的公眾持股量。

稅務減免

董事並不知悉任何因股東持有本公司證券而享有的稅務減免。

2016年12月31日後事件

於本年報日期，本集團並無任何2016年12月31日後重大事件。



Directors' Report 董事會報告

AUDITOR

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

On behalf of the Board

Wang Yin
Chairman

Hong Kong, March 24, 2017

核數師

截至2016年12月31日止年度，本公司已委任德勤•關黃陳方會計師行為本公司的核數師。本集團將於應屆股東週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
王印

香港，2017年3月24日

Corporate Governance Report

企業管治報告

The Board is pleased to present the Corporate Governance Report for the year ended December 31, 2016.

CORPORATE GOVERNANCE PRACTICES

The Board is dedicated to establishing a sound corporate governance system for ensuring the formality and transparency of the procedures while safeguarding the interests of the Shareholders.

The Company has applied the principles as set out in the CG Code as its own code of corporate governance and confirms that it has complied with all material code provisions, save for certain deviations as described below and most of the recommended best practices under the CG Code during the year ended December 31, 2016.

According to code provision C.1.5 of the CG Code, the Board should present a balanced, clear and understandable assessment in annual and interim reports and other financial disclosures required by the Listing Rules. It should also do so for reports to regulators and information disclosed under statutory requirements.

The Company will review and commit in making necessary arrangement to comply with all the code provisions under the CG Code and the rising expectations of Shareholders and investors.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors on terms no less exacting than the required standard set out in the Model Code.

Having made specific enquiry, the Company confirmed that all members of the Board complied with the Model Code during the year ended December 31, 2016. As senior management, executives and officers may possess inside information of the Company due to their positions, they shall comply with the provision of the Model Code. To the best knowledge of the Company, no incident of non-compliance with the Model Code has been committed by such employees during the year ended December 31, 2016.

董事會欣然提呈截至2016年12月31日止年度的企業管治報告。

企業管治常規

董事會致力建立健全的企業管治制度，以確保程序的正式性及透明度，同時保障股東利益。

本公司已應用企業管治守則所載的原則作為其本身的企業管治守則，並確認於截至2016年12月31日止年度，其一直遵守企業管治守則項下的所有重要守則條文，惟下文所述若干偏離者除外及當中大部分的最佳常規建議。

根據企業管治守則的守則條文第C.1.5條，董事會應在年度報告及中期報告及根據上市規則規定須予披露的其他財務資料內，對公司表現作出平衡、清晰及容易理解的評審。此外，其亦將在向監管者提交的報告及根據法例規定披露的資料內作出同樣的陳述。

本公司將檢討並致力作出必要安排，以遵守企業管治守則項下之所有守則條文，並滿足股東及投資者日趨嚴謹的期望。

進行證券交易的標準守則

本公司已採納標準守則作為本身董事買賣本公司證券的行為守則，其條款不比標準守則所載的規定準則寬鬆。

經作出具體查詢後，本公司確認所有董事會成員於截至2016年12月31日止年度均遵守標準守則。基於高級經理、高級行政人員及高級職員的職務，彼等可能擁有本公司的內幕消息，並須遵守標準守則的條文。就本公司所深知，截至2016年12月31日止年度並無該等僱員違反標準守則的事件。

BOARD OF DIRECTORS

The Directors are accountable to all Shareholders for their leadership and supervision over the Group's operation, and are committed to achieving the goal of increasing Shareholders' value.

As at the date of this annual report, the Board comprised eleven Directors, including three executive Directors, four non-executive Directors and four independent non-executive Directors, and changes to the Board members during the year ended December 31, 2016 and up to the date of this annual report are as follows:

Non-executive Directors:

Mr. Wang Yin (*Chairman of the Board*)

(*appointed on November 25, 2016*)

Mr. Wang Yan

(*appointed on November 25, 2016*)

Mr. He Xuan

(*appointed on November 25, 2016*)

Mr. Liang Hongze

(*resigned as executive Director and Chief Executive Officer and re-designated as non-executive Director on November 25, 2016*)

Mr. Yang Huisheng

(*resigned on February 1, 2016*)

Mr. Rui Wei

(*resigned on February 1, 2016*)

Executive Directors:

Mr. Cheng Libing (*Vice Chairman of the Board*)

(*appointed on February 1, 2016*)

Mr. Wu Potao (*Chief Executive Officer*)

(*appointed as executive Director on November 25, 2016 and appointed as Chief Executive Officer on December 28, 2016*)

Mr. Xu Zechang (*Executive General Manager*)

(*resigned on November 25, 2016 and re-appointed as executive Director on December 28, 2016*)

Ms. Xu Jie

(*resigned on November 25, 2016*)

Mr. Zhang Xiaodan

(*resigned on December 28, 2016*)

Mr. Jiang Tianfan

(*resigned on November 25, 2016*)

Mr. Shan Baojie

(*appointed on February 1, 2016 and resigned on November 25, 2016*)

董事會

董事共同就領導和監督本集團業務向全體股東負責，並致力達致為股東增值的目標。

於本年報日期，董事會由十一位董事組成，包括三位執行董事、四位非執行董事及四位獨立非執行董事，截至2016年12月31日止年度內及直至本年報日期的董事會成員變動如下：

非執行董事：

王 印先生 (*董事長*)

(*於2016年11月25日起獲委任*)

王 彥先生

(*於2016年11月25日起獲委任*)

賀 旋先生

(*於2016年11月25日起獲委任*)

梁洪澤先生

(*於2016年11月25日起辭任執行董事兼行政總裁，並獲調任為非執行董事*)

楊輝生先生

(*於2016年2月1日起辭任*)

芮偉先生

(*於2016年2月1日起辭任*)

執行董事：

成立兵先生 (*副董事長*)

(*於2016年2月1日起獲委任*)

吳珀濤先生 (*行政總裁*)

(*於2016年11月25日起獲委任為執行董事，並於2016年12月28日起獲委任為行政總裁*)

徐澤昌先生 (*執行總經理*)

(*於2016年11月25日起辭任，並於2016年12月28日起獲重新委任為執行董事*)

徐 捷女士

(*於2016年11月25日起辭任*)

張曉丹先生

(*於2016年12月28日起辭任*)

江天帆先生

(*於2016年11月25日起辭任*)

單寶傑先生

(*於2016年2月1日起獲委任，並於2016年11月25日起辭任*)

Independent Non-executive Directors:

Mr. Kwong Kwok Kong
Ms. Cheng Hong
Mr. Sun Jianhua
Mr. Lee Kar Chung Felix

None of the members of the Board is related to one another.

Biographical details of the Directors are set out on pages 117 to 124 of this annual report. The list of the Directors (by category) is also disclosed in all of the corporate communications issued by the Company from time to time in accordance with the Listing Rules.

During the year ended December 31, 2016, the Board complied at all times with the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors (representing at least one-third of the Board), of which at least one Director has appropriate professional qualifications, or accounting or related financial management expertise.

Each of the independent non-executive Directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

During the year ended December 31, 2016, the non-executive Directors (including independent non-executive Directors) brought a wide range of business and financial expertise, experience and judgment to the Board. Through active participation at Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all the non-executive Directors have made various contributions to the effective development of the Company.

The Company has arranged for appropriate insurance cover to protect Directors from possible legal action against them.

獨立非執行董事：

鄺國光先生
程紅女士
孫建華先生
李家聰先生

董事會成員之間並無任何關係。

董事的履歷詳情載於本年報的第117至124頁。董事名單（按類別排列）亦不時根據上市規則於本公司發出的所有企業通訊中披露。

截至2016年12月31日止年度內所有時間，董事會均已遵守有關委任最少三位獨立非執行董事（相當於董事會至少三分之一的人數），而當中最少一位董事擁有恰當專業資格、或會計或相關財務管理專長的上市規則規定。

各獨立非執行董事已根據上市規則第3.13條之規定提交獨立性周年確認書。本公司認為全體獨立非執行董事根據上市規則所載指引均屬於獨立。

截至2016年12月31日止年度，非執行董事（包括獨立非執行董事）向董事會貢獻廣泛商業及財務專長、經驗和判斷。全體非執行董事透過積極參與董事會會議，牽頭處理涉及潛在利益衝突的事項，並擔任董事會委員會成員，為本公司的實際發展貢獻良多。

本公司已為董事適當投保，保障彼等免受可能被提起的法律訴訟影響。

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for the performance of the functions of corporate governance. For the year ended December 31, 2016, the Board has performed the functions set out in code provision D.3.1 of the CG Code.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

For the period from January 1, 2016 to April 24, 2016, Mr. Liang Hongze was both the Chairman and the Chief Executive Officer. The Board believes that vesting the roles of both the Chairman and Chief Executive Officer in an experienced and qualified person such as Mr. Liang Hongze provides the Company with strong and consistent leadership while allowing for effective and efficient planning and implementation of business decisions and strategies during such period.

On April 25, 2016, Mr. Liang resigned as the Chairman and remained as the Chief Executive Officer. Ms. Xu Jie, an executive Director, has been appointed as the Chairman with effect from April 25, 2016. Since then, the roles of the Chairman and the Chief Executive Officer have been separated and performed by different individuals, and therefore, the Company has complied with the code provision A.2.1 of the CG Code.

The Chairman has been changed to Mr. Wang Yin with effect from November 25, 2016 and the vice Chairman is Mr. Cheng Libing since February 1, 2016.

Mr. Liang Hongze resigned as an executive Director and the Chief Executive Officer and has been redesignated as a non-executive Director on November 25, 2016. Mr. Zhang Xiaodan was appointed as the Chief Executive Officer on November 25, 2016 and subsequently resigned as executive Director and Chief Executive Officer on December 28, 2016. Mr. Wu Potao was appointed as Chief Executive Officer on December 28, 2016.

企業管治職能

董事會負責履行企業管治職能。截至2016年12月31日止年度，董事會已履行企業管治守則第D.3.1條守則條文所載的職能。

主席及行政總裁

企業管治守則守則條文第A.2.1條規定，主席與行政總裁角色應有區分，並不應由一人同時兼任。

於2016年1月1日至2016年4月24日期間，梁洪澤先生為董事長兼行政總裁。董事會相信，如梁洪澤先生經驗豐富和符合資格的人士承擔董事長和行政總裁角色，可於有關期內為本公司提供有力而貫徹一致的領導，同時得以使規劃和執行業務決策和策略兼具成效和效率。

於2016年4月25日，梁先生辭任董事長，但留任行政總裁。執行董事徐捷女士已獲委任為董事長，自2016年4月25日起生效。自此，董事長和行政總裁的角色有所區分，並由不同人士擔任。因此，本公司已遵守企業管治守則守則條文第A.2.1條。

董事長已於2016年11月25日改為王印先生，而自2016年2月1日起，副董事長為成立兵先生。

梁洪澤先生於2016年11月25日辭任執行董事及行政總裁，並調任為非執行董事。張曉丹先生於2016年11月25日獲委任為行政總裁，並其後於2016年12月28日，張曉丹先生辭任執行董事兼行政總裁。吳珀濤先生於2016年12月28日獲委任為行政總裁。

Under the leadership of Mr. Wang Yin, the Chairman and Mr. Cheng Libing, the vice Chairman, the Board is responsible for the approval and supervision of the Group's general development strategy, the review and approval of the annual budget and business plans, the consent of material investment projects related to the Group's business development, the review on the Group's performance and the supervision of the work of the management, and ensures that the Board acts in the best interests of the Group, operates effectively and performs the necessary duties, as well as discusses all the significant and appropriate issues of the Group's business in a timely manner. All the Directors are entitled to propose the inclusion of any item in the agenda of the Board meetings for appropriate discussion. Mr. Wang Yin, as the Chairman, and Mr. Cheng Libing, as the Vice Chairman, have appointed the secretary of the meeting to draft the Board meetings' agendas. Under the assistance of the executive Directors and the secretary of the Board, the Chairman will ensure that all the Directors are provided with sufficient and reliable information in a timely manner required for necessary analysis based on their expertise.

Mr. Wu Potao, as the Chief Executive Officer, has delegated sufficient authority for the operation and management of the Group's business to the executive Directors and other senior management members, who are in-charge of the daily management of the Group in every aspect, including implementation of the Board's resolutions unanimously, and be accountable to the Chief Executive Officer for the operations of various aspects of the Group's business, while the Chief Executive Officer shall be accountable to the Board for the Group's operations as a whole.

The responsibilities of the Board are as follows:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;

在董事長王印先生及副董事長成立兵先生的領導下，董事會負責批准及監督本集團的整體發展策略、審閱及審批年度預算案及業務規劃，同意有關本集團業務發展的重大投資項目、檢討本集團表現及監督管理層工作，並確保董事會以本集團最佳利益行事、有效營運並履行必要職務，而且及時討論本集團業務的所有要務及適切事項。全體董事均有權提出任何事項列入董事會會議議程，以供恰當討論。作為董事長的王印先生及作為副董事長的成立兵先生已委任會議秘書草擬董事會會議議程。在執行董事及董事會秘書協助下，主席將確保全體董事獲及時提供足夠及可靠資料，足以應付彼等根據專長作出必要分析所需。

作為行政總裁，吳珀濤先生已向執行董事及其他高級管理層成員轉授充分權限，以營運及管理本集團業務，彼等主管本集團各範疇的日常管理，包括貫徹一致地執行董事會決議案，並就本集團業務中各範疇的營運向行政總裁承擔責任，而行政總裁則就本集團整體營運向董事會負責。

董事會的職責包括下列各項：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；

- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

DELEGATION BY THE BOARD

In order to enhance its corporate governance structure, the Company has formulated the "Rules and Procedures for Board Meetings". The "Rules and Procedures for Board Meetings" specifies that the Operation and Development Committee (經營與發展委員會) is composed of executive Directors, Chief Financial Officer and Deputy General Managers, all being called together by the Chief Executive Officer. As the approval organization for the Company's daily operational management, the committee is responsible for organizing and managing the Company's daily operations and accountable to the Board.

BOARD MEETINGS

According to code provision A.1.1 of the CG Code, regular Board meetings should be held at least four times a year at approximately quarterly intervals. During the year ended December 31, 2016, there were only two regular Board meetings held to review and consider the interim results and the annual results, respectively, as the Company is not required to announce its quarterly results under the Listing Rules. Seven other Board meetings were held during the year ended December 31, 2016. The Chairman also held a meeting with the non-executive Directors (including independent non-executive Director) without presence of the executive Directors during the year.

For the entire year ended December 31, 2016, the Board has convened and held nine Board meetings, among which, the Company held two Board meetings after completion of the acquisition of assets from CR Healthcare Group. Attendance records of the Directors at the Board meetings are set out as follows:

- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

董事會權力的轉授

本公司為完善企業管治結構，制定了《董事會議事規則》。《董事會議事規則》明確說明經營與發展委員會由行政總裁召集執行董事、首席財務官及副總經理組成，是公司日常經營管理的決議機構，負責組織、管理公司的日常運營事項，向董事會負責。

董事會會議

根據企業管治守則的守則條文第A.1.1條，常規董事會會議應至少每年舉行四次，時距約為每季度一次。由於根據上市規則本公司毋須公佈其季度業績，截至2016年12月31日止年度，僅舉行兩次常規董事會會議以分別審閱及審議中期業績及年度業績，亦另舉行七次其他董事會會議。年內，董事長亦與非執行董事（包括獨立非執行董事）舉行了一次並無執行董事列席的會議。

截至2016年12月31日止年度全年，董事會已召開並舉行九次董事會會議，其中本公司在完成收購華潤醫療集團資產事項後，舉行兩次董事會會議。董事的董事會會議出席記錄載列如下：

Name of director	董事姓名	Number of meetings attended/ convened 會議出席／召開次數
Non-executive Directors:		
Mr. Wang Yin <i>(appointed on November 25, 2016)</i>	王 印先生 <i>(自2016年11月25日起獲委任)</i>	2/2
Mr. Wang Yan <i>(appointed on November 25, 2016)</i>	王 彥先生 <i>(自2016年11月25日起獲委任)</i>	2/2
Mr. He Xuan <i>(appointed on November 25, 2016)</i>	賀 旋先生 <i>(自2016年11月25日起獲委任)</i>	2/2
Mr. Liang Hongze <i>(resigned as executive Director and redesignated as non-executive Director on November 25, 2016)</i>	梁洪澤先生 <i>(於2016年11月25日起辭任執行董事，並獲調任為非執行董事)</i>	9/9
Executive Directors:		
Mr. Cheng Libing <i>(appointed on February 1, 2016)</i>	成立兵先生 <i>(於2016年2月1日起獲委任)</i>	9/9
Mr. Wu Potao <i>(appointed on November 25, 2016)</i>	吳珀濤先生 <i>(於2016年11月25日起獲委任)</i>	2/2
Mr. Xu Zechang <i>(resigned on November 25, 2016 and re-appointed as executive Director on December 28, 2016)</i>	徐澤昌先生 <i>(於2016年11月25日起辭任，並於2016年12月28日起獲重新委任為執行董事)</i>	8/8
Ms. Xu Jie <i>(resigned on November 25, 2016)</i>	徐 捷女士 <i>(於2016年11月25日起辭任)</i>	7/7
Mr. Zhang Xiaodan <i>(resigned on December 28, 2016)</i>	張曉丹先生 <i>(於2016年12月28日起辭任)</i>	8/8
Mr. Jiang Tianfan <i>(resigned on November 25, 2016)</i>	江天帆先生 <i>(於2016年11月25日起辭任)</i>	7/7
Mr. Shan Baojie <i>(appointed on February 1, 2016 and resigned on November 25, 2016)</i>	單寶傑先生 <i>(於2016年2月1日起獲委任，並於2016年11月25日起辭任)</i>	7/7
Independent Non-executive Directors:		
Mr. Kwong Kwok Kong	鄺國光先生	9/9
Ms. Cheng Hong	程 紅女士	9/9
Mr. Sun Jianhua	孫建華先生	9/9
Mr. Lee Kar Chung Felix	李家聰先生	9/9

PRACTICES AND CONDUCT OF MEETINGS

Notice of regular Board meetings had been served to all Directors at least 14 days prior to the meetings to give all Directors an opportunity to attend.

For regular Board and committee meetings, all agendas, meeting papers, together with all applicable, complete and reliable statistics will be sent to all the Directors or committees at least three days before a meeting is held. All Directors may propose any business to be included in the agenda of the Board or committee meetings and contact the company secretary to ensure full compliance with all of the Board's procedures and applicable regulations.

In general, the senior management members shall attend all the regular Board meetings and, if necessary, other Board and committee meetings to advise on the Group's business development, financial and accounting matters, statutory and regulatory compliance, corporate governance and risk management as well as other significant issues. The Board may, if appropriate, authorize the Directors to seek independent and professional advice at the expense of the Group. Matters discussed and resolved at Board meetings will be recorded in detail by the Board secretary who shall prepare and file the minutes or resolutions. Generally, draft minutes of Board meeting shall be issued to the Directors within reasonable time for their comments after such meeting is held, and the final version will be open for inspections by the Directors.

The Articles of Association contains provision requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or their associates have a material interest and this provision has always been complied with.

會議常規和操守

常規董事會會議通告已於會前最少14日送達全體董事，以讓全體董事均有機會出席。

就常規董事會及委員會會議而言，所有議程、會議文件連同一切適用、完整及可靠之數據將於會前至少三天發送全體董事或委員會。全體董事均可提出任何事項列入董事會及委員會會議議程，並可與公司秘書聯絡以確保全部董事會程序及適用規章均獲全面遵守。

一般而言，高級管理層成員須出席所有常規董事會會議，並於必要時出席其他董事會及委員會會議，以就本集團業務發展、財務及會計事宜、法定及監管合宜、企業管治及風險管理以及其他要事提供意見。董事會可於恰當時授權董事尋求獨立專業意見，費用一概由本集團承擔。董事會秘書將詳盡記錄董事會會議上所討論及議決的事宜，並須撰寫會議記錄或決議案及將其存檔。一般而言，董事會會議記錄的草擬本應於會後一段合理時間內發予董事，以供彼等給予意見，而定稿將可供董事公開查閱。

組織章程細則載有條文，規定凡會上批准董事或彼等的聯繫人擁有重大利益的交易，董事須放棄投票，且不得計入會議法定人數，而此項條文一直獲遵守。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

According to the Articles of Association, one-third of the Directors (or if their number is not a multiple of three, the number nearest to but no less than one-third) are subject to retirement by rotation at least once every three years and any new Director appointed to fill casual vacancy shall hold office until the next following general meeting of the Company and for any Director appointed as an addition to the Board shall hold office until the next following annual general meeting of the Company. The retiring Directors shall be eligible for re-election.

Prior to the completion of reorganization with CR Healthcare Group on October 31, 2016, the changes in Directors were as follows: Mr. Shan Baojie (Deputy General Manager) was appointed as an executive Director on February 1, 2016; Mr. Cheng Libing (Vice Chairman of the Board) was appointed as an executive Director on February 1, 2016; Mr. Yang Huisheng resigned as a non-executive Director on February 1, 2016; Mr. Rui Wei resigned as a non-executive Director of the Company on February 1, 2016.

Upon the completion of reorganization with CR Healthcare Group on October 31, 2016, the Board members were adjusted accordingly as follows: Mr. Liang Hongze, Ms. Xu Jie, Mr. Shan Baojie and Mr. Jiang Tianfan resigned as executive Directors on November 25, 2016; Mr. Wang Yin (Chairman), Mr. Wang Yan, Mr. He Xuan and Mr. Liang Hongze were appointed as non-executive Directors on November 25, 2016; Mr. Zhang Xiaodan was appointed as the Chief Executive Officer and a member of the Remuneration Committee on November 25, 2016, and resigned as an executive Director, the Chief Executive Officer and a member of the Remuneration Committee on December 28, 2016; Mr. Wu Potao was appointed as an executive Director, the Executive General Manager on November 25, 2016, and resigned as the Executive General Manager and was appointed as the Chief Executive Officer and a member of the Remuneration Committee on December 28, 2016; Mr. Xu Zechang resigned as an executive Director on November 25, 2016, and was re-appointed as an executive Director and the Executive General Manager on December 28, 2016.

委任及重選董事

根據組織章程細則，三分之一的董事（或倘董事人數並非三的倍數，則為最接近但不少於三分之一）須至少每三年輪席退任一次，而為填補臨時空缺而委任之任何新董事應任職至本公司下屆股東大會，凡董事獲委任為董事會之新增董事，應任職至本公司下屆股東週年大會。退任董事應符合資格重選連任。

本公司於2016年10月31日與華潤醫療集團完成重組前，董事變更情況如下：單寶傑先生（副總經理）於2016年2月1日獲委任執行董事；成立兵先生（副董事長）於2016年2月1日獲委任執行董事；楊輝生先生於2016年2月1日辭任非執行董事；芮偉先生於2016年2月1日辭任本公司非執行董事。

公司於2016年10月31日與華潤醫療集團完成重組後，董事會成員進行了相應的調整如下：梁洪澤先生、徐捷女士、單寶傑先生及江天帆先生於2016年11月25日辭任執行董事；王印先生（董事長）、王彥先生、賀旋先生及梁洪澤先生於2016年11月25日獲委任非執行董事；張曉丹先生於2016年11月25日獲委任行政總裁及薪酬委員會成員，於2016年12月28日辭任執行董事、行政總裁和薪酬委員會成員；吳珀濤先生於2016年11月25日獲委任執行董事、執行總經理，於2016年12月28日辭任執行總經理並獲委任行政總裁和薪酬委員會成員；徐澤昌先生於2016年11月25日辭任執行董事，於2016年12月28日獲重新委任執行董事、執行總經理。

Corporate Governance Report 企業管治報告

Any other appointment, resignation, removal or re-designation of Directors will be timely disclosed to the Shareholders by announcement and shall include in such announcement, the reasons given by the Director for his resignation.

Mr. Wang Yin, Mr. Wang Yan, Mr. He Xuan and Mr. Liang Hongze have been appointed as non-executive Directors for a term of 2 years commencing from November 25, 2016. Mr. Cheng Libing has been appointed as an executive Director for a term of 2 years commencing from February 1, 2016. Mr. Wu Potao has been appointed as an executive Director for a term of 2 years commencing from November 25, 2016. Mr. Xu Zechang has been appointed as an executive Director for a term of 2 years commencing December 28, 2016. The term of 3 years of Mr. Kwong Kwok Kong, Ms. Cheng Hong and Mr. Sun Jianhua, as independent non-executive Directors, expired on August 31, 2016 and their appointments have been renewed up to December 31, 2017. The term of 1 year of Mr. Lee Kar Chung Felix as independent non-executive Director expired on August 20, 2016 and his appointment has been renewed up to December 31, 2017.

In accordance with articles 87(1) and 87(2) of the Articles of Association, Mr. Kwong Kwok Kong and Mr. Sun Jianhua will retire by rotation at the Annual General Meeting. Mr. Liang Hongze who has been redesignated as non-executive Director by the Board on November 25, 2016 shall hold office until the Annual General Meeting pursuant to article 86(3) of the Articles of Association. In addition, Mr. Wang Yin (appointed as non-executive Director on November 25, 2016), Mr. Wang Yan (appointed as non-executive Director on November 25, 2016), Mr. Wu Potao (appointed as executive Director on November 25, 2016) and Mr. Xu Zechang (re-appointed as executive Director on December 28, 2016) who have been appointed by the Board shall hold office until the Annual General Meeting pursuant to article 86(3) of the Articles of Association. All of the retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

任何其他董事委任、辭任、免職或調職，均將通過公告向股東及時披露，並須於該公告載入董事給予的辭任理由。

王印先生、王彥先生、賀旋先生及梁洪澤先生已獲委任為非執行董事，自2016年11月25日起為期兩年。成立兵先生已獲委任為執行董事，自2016年2月1日起為期兩年。吳珀濤先生已獲委任為執行董事，自2016年11月25日起為期兩年。徐澤昌先生已獲委任為執行董事，自2016年12月28日起為期兩年。鄺國光先生、程紅女士及孫建華先生作為獨立非執行董事的三年任期已於2016年8月31日屆滿，而彼等的任期已重續至2017年12月31日。李家聰先生作為獨立非執行董事的一年任期已於2016年8月20日屆滿，而其任期已重續至2017年12月31日。

根據章程細則第87(1)及87(2)條，鄺國光先生及孫建華先生將於股東週年大會上輪值告退。根據章程細則第85(3)條，梁洪澤先生於2016年11月25日獲董事會調任為非執行董事，將任職至股東週年大會為止。此外，根據章程細則第86(3)條，已獲董事會委任的王印先生（於2016年11月25日獲委任為非執行董事）、王彥先生（於2016年11月25日獲委任為非執行董事）、吳珀濤先生（於2016年11月25日獲委任為執行董事）及徐澤昌先生（於2016年12月28日獲重新委任為執行董事）將任職至股東週年大會為止。所有退任董事均符合資格並願意於股東週年大會上膺選連任。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Group has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended December 31, 2016 are set out in note 14 to the consolidated financial statements of this annual report.

Details of the remuneration of the senior management of the Company, comprising all Directors and the Chief Financial Officer, by band for the year ended December 31, 2016 are set out below:

Remuneration band (RMB'000) 薪酬範圍 (人民幣千元)		Number of individual 人數
3,001 to 4,000	3,001至4,000	1
2,001 to 3,000	2,001至3,000	6
1,001 to 2,000	1,001至2,000	0
Nil to 1,000	無至1,000	11

CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

On appointment to the Board, each Director receives a comprehensive induction package to ensure that he/she has a proper understanding of the business and operations of the Group and is fully aware of the responsibilities and obligations as being a Director as well as the compliance practice under the Listing Rules and other relevant regulatory requirements.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are kept updated on the statutory and regulatory development and changes in the business and the market so as to facilitate the discharge of their responsibilities. All Directors have participated in the courses relating to the roles, functions and duties of a director of a listed company or further enhanced their professional development by the way of attending training courses or reading relevant materials for the year ended December 31, 2016.

董事及高級管理層之薪酬

本集團已為制訂董事及本集團高級管理層薪酬政策確立正式且具透明度之程序。各董事截至2016年12月31日止年度之薪酬詳情載於本年報內綜合財務報表之附註14。

截至2016年12月31日止年度本公司高級管理層按薪酬範圍劃分的詳情(包括全部董事及首席財務官)載列如下：

董事持續專業發展

獲委任加入董事會時，各董事將接獲一份完備之入職資料集，確保彼等為了解本集團業務及營運，以及充份意識到作為董事的責任及義務，以及上市規則項下的合規常規及其他相關規管規定。

本集團鼓勵全體董事參與持續專業發展，以發展及更新彼等之知識及技能。董事獲持續提供法定及監管發展，以及業務及市況變遷之最新數據，以便彼等履行職責。截至2016年12月31日止年度，全體董事參與有關上市公司董事之角色、職能及職責之課程，或透過出席培訓課程或閱讀有關材料進一步增進彼等之專業發展。

Corporate Governance Report

企業管治報告

A summary of the training received by the Directors for the year ended December 31, 2016 according to the records provided by the Directors is as follows:

根據董事所提供的記錄，截至2016年12月31日止年度，董事所接受培訓之概要如下：

Name of the Directors	董事姓名	Type and frequency 類別及次數 Reading on corporate governance, updates on regulatory development and other relevant topics 閱讀企業管治、 監管發展之最新資料 及其他相關主題	Attending relevant training session 出席相關培訓課程
Non-executive Directors:			
Mr. Wang Yin <i>(appointed on November 25, 2016)</i>	王 印先生 <i>(自2016年11月25日起獲委任)</i>	2	2
Mr. Wang Yan <i>(appointed on November 25, 2016)</i>	王 彥先生 <i>(自2016年11月25日起獲委任)</i>	2	2
Mr. He Xuan <i>(appointed on November 25, 2016)</i>	賀 旋先生 <i>(自2016年11月25日起獲委任)</i>	2	2
Mr. Liang Hongze <i>(resigned as executive Director and redesignated as non-executive Director on November 25, 2016)</i>	梁洪澤先生 <i>(自2016年11月25日起辭任執行董事， 並獲調任為非執行董事)</i>	1	2
Executive Directors:			
Mr. Cheng Libing <i>(appointed on February 1, 2016)</i>	成立兵先生 <i>(自2016年2月1日起獲委任)</i>	1	2
Mr. Wu Potao <i>(appointed on November 25, 2016)</i>	吳珀濤先生 <i>(自2016年11月25日起獲委任)</i>	2	2
Mr. Xu Zechang <i>(resigned on November 25, 2016 and re-appointed on December 28, 2016)</i>	徐澤昌先生 <i>(自2016年11月25日起辭任，並自 2016年12月28日起獲重新委任)</i>	1	2
Ms. Xu Jie <i>(resigned on November 25, 2016)</i>	徐 捷女士 <i>(於2016年11月25日起辭任)</i>	1	1

		Type and frequency 類別及次數	
Name of the Directors	董事姓名	Reading on corporate governance, updates on regulatory development and other relevant topics 閱讀企業管治、監管發展之最新資料及其他相關主題	Attending relevant training session 出席相關培訓課程
Mr. Zhang Xiaodan (resigned on December 28, 2016)	張曉丹先生 (於2016年12月28日起辭任)	1	2
Mr. Jiang Tianfan (resigned on November 25, 2016)	江天帆先生 (於2016年11月25日起辭任)	1	2
Mr. Shan Baojie (appointed on February 1, 2016 and resigned on November 25, 2016)	單寶傑先生 (自2016年2月1日起獲委任，並自2016年11月25日起辭任)	1	2
Independent Non-executive Directors:	獨立非執行董事：		
Mr. Kwong Kwok Kong	鄺國光先生	1	1
Ms. Cheng Hong	程紅女士	1	1
Mr. Sun Jianhua	孫建華先生	1	1
Mr. Lee Kar Chung Felix	李家聰先生	1	1

NOMINATION COMMITTEE

The Board has established the Nomination Committee on November 4, 2013 which currently comprises three Directors, with Ms. Cheng Hong (independent non-executive Director) as the chairperson, Mr. Liang Hongze (non-executive Director) and Mr. Lee Kar Chung Felix (independent non-executive Director) being its committee members. Majority of the members are independent non-executive Directors.

The role and function of the Nomination Committee are set out in its terms of reference. Its primary responsibilities include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board, identifying appropriate and qualified individuals to become Board members and selecting or making recommendations to the Board on the selection of, individuals nominated for directorships, assessing the independence of the independent non-executive Directors, making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer.

提名委員會

董事會於2013年11月4日成立現時由三名董事組成的提名委員會，該委員會成員為程紅女士（獨立非執行董事）（主席）、梁洪澤先生（非執行董事）及李家聰先生（獨立非執行董事）。大部分成員為獨立非執行董事。

提名委員會的角色及職能載於其職權範圍。其主要責任包括檢討董事會架構、規模及組成成員（包括技能、知識及經驗）、物色具備合適資格的人士擔任董事會成員及選擇或建議董事會選擇提名董事職位候選人、評估獨立非執行董事的獨立性、建議董事會委聘或續聘董事及董事繼任計劃，尤其是主席及行政總裁。

Corporate Governance Report 企業管治報告

To comply with the provisions in the CG Code on board diversity which became effective on September 1, 2013, the Board has adopted a policy concerning diversity of Board members (the “Board Diversity Policy”) setting out a number of factors which the Nomination Committee would consider in reviewing and assessing the Board composition.

According to the Board Diversity Policy, the Nomination Committee reviews and assesses the Board composition and makes recommendations of changes to the composition of the Board. The Nomination Committee would consider the benefits of all aspects of diversity set out in the Board Diversity Policy, including but not limited to gender, age, ethnicity, cultural and educational background, communication styles, interpersonal skills, functional expertise, problem solving skills, professional qualifications, knowledge and industry and regional experience and other qualities in reviewing and assessing the composition of the Board and all appointments to the Board will be based on merits and will take into account of factors based on the Group’s own business model and specific needs from time to time.

The Nomination Committee will review the Board Diversity Policy on a regular basis (which will include a review on the effectiveness of the policy), discuss any required changes with the Board and make recommendation of revision to the Board Diversity Policy for consideration and approval. The Nomination Committee has been provided with sufficient resources to perform its duty. When necessary, the Nomination Committee will seek independent professional advice, at the Company’s expense, to perform its responsibilities.

為遵守於2013年9月1日生效的企業管治守則有關董事會多元化的條文，董事會已採納有關董事會成員多元化的政策（「董事會多元化政策」），當中載有提名委員會於檢討及評估董事會組成成員時應考慮的若干因素。

根據董事會多元化政策，提名委員會檢討及評估董事會組成成員，並就董事會組成成員的變動提出推薦建議。提名委員會在檢討和評估董事會組成成員時，會考慮董事會多元化政策所載的所有多元化範疇的優勢，包括但不限於性別、年齡、種族、文化及教育背景、溝通方式、人際技巧、職能專長、解決問題技巧、專業資格、知識及行業以及地區經驗以及其他特質，且董事會之所有委任將以選賢與能為基準，並計及本集團自身業務模式及不時之具體需求等有關因素作出。

提名委員會將定期檢討董事會多元化政策（當中包括檢討該政策的成效），與董事會討論任何所需的變動及就修訂董事會多元化政策向董事會提供建議，以供考慮及批准。提名委員會已獲提供足夠資源以履行其職責。如有需要，提名委員會將尋求獨立專業意見以履行其職務，費用由本公司承擔。

During the year ended December 31, 2016, the Nomination Committee has convened three meetings to review the structure, size and composition of the Board and the committees and the independence of the independent non-executive Directors, considering the qualifications of the retiring Directors standing for re-election at the annual general meeting and making recommendations to the Board on the appointment of Directors. The particulars of the attendance of the Nomination Committee are set forth as follows:

截至2016年12月31日止年度，提名委員會已召開三次會議以檢討董事會及委員會之架構、規模及組成成員以及獨立非執行董事之獨立性，考慮退任董事於股東週年大會重選連任之資格並建議董事會委聘董事。提名委員會出席詳情載列如下：

Name of the members of the Nomination Committee	提名委員會成員姓名	Number of meetings attended convened 會議出席 / 召開次數
Chairperson: Ms. Cheng Hong	主席： 程紅女士	3/3
Members: Mr. Liang Hongze Mr. Lee Kar Chung Felix	成員： 梁洪澤先生 李家聰先生	3/3 3/3

REMUNERATION COMMITTEE

The Board has established the Remuneration Committee on November 4, 2013 which currently comprises three Directors, with Mr. Sun Jianhua (independent non-executive Director) as the chairman, Mr. Wu Potao (executive Director) and Mr. Lee Kar Chung Felix (independent non-executive Director) being its committee members. Majority of the members are independent non-executive Directors.

The roles and functions of the Remuneration Committee are set out in its terms of reference. Its primary responsibilities include reviewing and formulating policies in respect of remuneration structure for all Directors and senior management and making recommendations to the Board for its consideration.

薪酬委員會

董事會於2013年11月4日成立現時由三名董事組成的薪酬委員會，該委員會成員為孫建華先生（獨立非執行董事）（主席）、吳珀濤先生（執行董事）及李家聰先生（獨立非執行董事）。大部分成員為獨立非執行董事。

薪酬委員會的角色及職能載於其職權範圍。其主要責任包括檢討及制定有關全體董事及高級管理人員薪酬架構的政策，並向董事會提出推薦建議供其考慮。

Corporate Governance Report 企業管治報告

During the year ended December 31, 2016, the Remuneration Committee has convened three meetings to review the remuneration policy for all Directors and senior management and service contracts of newly appointed Directors. The particulars of the attendance of the Remuneration Committee are set forth as follows:

截至2016年12月31日止年度，薪酬委員會已召開三次會議，以檢討全體董事及高級管理人員的薪酬政策及新委任董事的服務合約。薪酬委員會出席詳情載列如下：

Name of the members of the Remuneration Committee	薪酬委員會成員姓名	Number of meetings attended/convened 會議出席／召開次數
Chairman: Mr. Sun Jianhua	主席： 孫建華先生	3/3
Members: Mr. Wu Potao (appointed on December 28, 2016)	成員： 吳珀濤先生 (於2016年12月28日獲委任)	1/1
Mr. Lee Kar Chung Felix	李家聰先生	3/3
Mr. Zhang Xiaodan (resigned on December 28, 2016)	張曉丹先生 (於2016年12月28日辭任)	2/2

AUDIT COMMITTEE

On November 4, 2013, the Board has established the Audit Committee currently comprising four Directors, with Mr. Kwong Kwok Kong (independent non-executive Director) as the chairman, Mr. Wang Yan (non-executive Director), Ms. Cheng Hong (independent non-executive Director) and Mr. Sun Jianhua (independent non-executive Director) being its committee members. Majority of the members are independent non-executive Directors. The Board considered that the members of the Audit Committee possess sufficient professional knowledge and experience of accounting and financial management for the performance of their responsibilities.

審核委員會

董事會於2013年11月4日建立現時由四名董事組成的審核委員會，該委員會成員為獨立非執行董事鄺國光先生（主席）、非執行董事王彥先生、獨立非執行董事程紅女士及獨立非執行董事孫建華先生。大部分成員皆為獨立非執行董事。董事會認為，審核委員會成員具備充分會計及財務管理專業知識及經驗，足以履行彼等的職責。

The roles and functions of the Audit Committee are set out in its terms of reference. In view of the recent amendments to the CG Code effective for the accounting period beginning on January 1, 2016, the Group has adopted a revised terms of reference of the Audit Committee on January 18, 2016 in order to comply with certain changes relating to the risk management and internal control section of the CG Code. Its primary responsibilities include serving as a focal point for communication among other Directors, the external auditor and the internal auditor (where an internal audit function exists) as regards their duties relating to financial and other reporting, risk management and internal controls, external and internal audits and such other financial and accounting matters as the Board determines from time to time, assisting the Board in providing an independent review on the effectiveness of the financial reporting system, risk management and internal control systems of the Group and overseeing the audit procedure, reviewing the Group's financial and accounting policies and practices and performing other duties and responsibilities as designated by the Board.

The Audit Committee and independent non-executive Directors communicated with the auditor on the audit plan of the Company's 2016 annual results, working highlights and material matters on August 25, 2016, December 31, 2016 and January 19, 2017, respectively.

During the year ended December 31, 2016, the Audit Committee held four meetings to discharge its responsibilities and review the Group's annual and interim results, continuing connected transactions, reporting and compliance procedures, reports from the management on the Group's risk management and internal control systems, the effectiveness of the Group's internal control function and procedures and also the re-appointment of the external auditor. The particulars of the attendance of the Audit Committee are set forth as follows:

審核委員會的職務及職能載於其職權範圍。就2016年1月1日開始的會計期間生效的企業管治守則近期修訂而言，本集團已於2016年1月18日採納經修訂審核委員會職權範圍，以遵循企業管治守則有關風險管理及內部監控一節的若干變動。其主要責任包括作為其他董事、外聘核數師及內部審計師（如設內部審計職能）之間有關其財務和其他報告、風險管理及內部監控、外部和內部審計及董事會不時釐定的該等其他財務和會計事宜等方面的職責的主要溝通橋樑，就本集團財務報告制度、風險管理及內部監控制度的成效協助董事會獨立檢討，監督審核程序、審閱本集團的財務及會計政策及常規及履行董事會指定的其他職責和責任。

審核委員會及獨立非執行董事於2016年8月25日、2016年12月31日及2017年1月19日先後與核數師溝通公司2016年度業績審計工作計劃、工作重點及重大事項。

截至2016年12月31日止年度，審核委員會已舉行四次會議以履行其職責並審閱本集團年度及中期業績、持續關聯交易、報告及合規程序、管理層有關本集團風險管理及內部監控制度、本集團內部監控職能及程序之成效之報告以及續聘外聘核數師。審核委員會出席詳情載列如下：

Corporate Governance Report

企業管治報告

Name of the members of the Audit Committee	審核委員會成員姓名	Number of meetings attended/convened 會議出席／召開次數
Chairman: Mr. Kwong Kwok Kong	主席： 鄺國光先生	4/4
Members: Mr. Wang Yan (appointed on December 28, 2016)	成員： 王 彥先生 (於2016年12月28日獲委任)	0/0
Ms. Cheng Hong	程 紅女士	4/4
Mr. Sun Jianhua	孫建華先生	4/4

APPOINTMENT AND REMUNERATION OF EXTERNAL AUDITOR

During the year ended December 31, 2016, the total fee paid/payable to the external auditor of the Group in respect of audit and non-audit services is set out below:

外聘核數師的委聘和酬金

截至2016年12月31日止年度，就審核及非審核服務已支付／應付本集團外聘核數師的費用總額載列如下：

Items of auditor's services	核數師服務項目	Amount 費用金額 (RMB) (人民幣元)
Annual audit service:	年度審核服務：	3,350,000

The Audit Committee is responsible for making recommendations to the Board as to the appointment, re-appointment and removal of the external auditor. Such appointment, re-appointment and removal are subject to the approval by the Board and the general meetings of the Company by the Shareholders.

審核委員會負責就外聘核數師的委任、續聘及罷免向董事會作出推薦建議，該等委任、續聘及罷免須經董事會及股東於本公司股東大會上批准方可作實。

The statement of the independent auditor of the Group about their reporting responsibilities on the consolidated financial statements of the Group is set out in the independent auditor's report from pages 144 to 150 of this annual report.

本集團獨立核數師有關彼等對本集團綜合財務報表的申報責任的陳述載於本年報第144至150頁的獨立核數師報告內。

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Group for the year ended December 31, 2016 which give a true and fair view of the financial position of the Group as well as the results and cash flow during that year.

The Directors consider that in preparing the financial statements, the Group ensures statutory requirements are met and applies appropriate accounting policies that are consistently adopted and makes judgments and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

The Directors are responsible for ensuring that proper accounting records are kept so that the Group could prepare financial statements in accordance with statutory requirements and the Group's accounting policies. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities within the Group.

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

RISK MANAGEMENT AND INTERNAL CONTROL

The risk management and internal control systems have been designed to safeguard the assets of the Group, to assure proper maintenance of accounting records, and to ensure the compliance with the relevant laws and regulations.

The Board's annual review has ensured the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions.

董事對財務報表的責任

董事確認彼等就編製真實及公平反映本集團財務狀況及同年業績及現金流量的本集團截至2016年12月31日止年度財務報表的責任。

董事認為，編製財務報表時，本集團確保符合法定規定，並應用一貫採納的恰當會計政策，並根據適用會計準則作出合理謹慎的判斷和估計。

董事負責確保妥為保存會計記錄，以便本集團可根據法定規定及本集團的會計政策編製財務報表。彼等亦負責保障本集團的資產，並因而採取合理步驟防止及查找本集團內的欺詐及其他異常情況。

董事並無獲悉可能對本集團持續經營能力構成重大疑問的有關事件或情況的任何重大不明朗因素。

風險管理及內部監控

風險管理及內部監控制度的制訂旨在保障本集團資產、確保妥為存置會計記錄及確保遵守有關法律法規。

董事會的年度檢討確保本公司在會計、內部審計及財務申報職能方面的資源、員工資歷及經驗是否足夠，以及員工接受的培訓課程及有關預算是否充足。

Corporate Governance Report 企業管治報告

The Board has overall responsibility for maintaining a sound and effective risk management and internal control systems throughout the Group which includes a defined management structure with limits of authority, and is designed to ensure the proper application of accounting standard and the provision of reliable financial data for internal use and for publication, as well as to secure compliance with the relevant laws and regulations. The system is developed to provide reasonable, but not absolute, assurance against material misstatement or omission and to manage, but not fully eliminate, the risks of operational systems failure and the risks of the Group's failure in meeting the standards. The Board will review the risk management and internal control systems on an on-going basis.

The Board acknowledges that it is responsible 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, but not absolute, assurance against material misstatement or losses.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems. The management has reported and confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control.

The Company's risk management and internal control systems have been developed with the following content, features and processes:

Content

Risk management of the Company mainly includes control of environment, risk assessments, control of activities, information and communication, and supervision.

董事會負整體責任維持本集團整體的良好有效風險管理及內部監控制度，當中包括設有權力限制的明確管理架構，旨在確保妥為應用會計準則以及提供可靠財務數據作內部使用及刊發用途，並確保符合相關法律法規。該制度的建立是杜絕重大錯誤陳述或遺漏，提供合理而非絕對保證，並管理而非全面消除營運系統故障的風險，以及本集團未能符合標準的風險。董事會將持續檢討風險管理及內部監控制度。

董事會深明其須對風險管理及內部監控制度負責，並有責任檢討該等制度的有效性。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

審核委員會協助董事會領導管理層，並監督管理層制定、實施和監管風險管理和內部監控制度。管理層已向董事會及審核委員會報告及確認風險管理及內部監控制度的有效性。

本公司已建立的風險管理和內部監控制度有以下內容、特點和程序：

內容

本公司的風險管理主要包括控制環境、風險評估、控制活動、信息與溝通和監督等內容。

Control of environment establishes the Company's risk management philosophy and overall attitude in risk management, influencing staff's risk awareness. It serves as the basis of other elements and safeguards the effectiveness of risk management. Control of environment includes control of professional ethics, staff competence, management philosophy and business style, organizational structure, distribution of authority and responsibilities, human resources policies, the Board and the Audit Committee as well as anti-fraud.

Risk assessments refer to the process of identifying and analyzing risks that may affect the achievement of goals, including four basic processes namely goal development, risk identification, risk analysis and risk response.

Control of activities represents the necessary measures to enable consistent execution of the directives of the Company's management in order to prevent and circumvent risks, including approval, authorization, investigation, verification, evaluation of operating results, asset preservation measures and division of responsibilities.

Information and communication refers to internal and external information required for risk management which shall be identified, obtained and conveyed timely in a certain form such that staff can perform their duties.

Supervision is the process of ongoing inspection and evaluation on the effectiveness of risk management.

Features

The Company established a sound system for reporting risk management defects, which specifies the department responsibilities, contents, processes and follow-up measures regarding defect reporting. For the risk management defects identified, the Company's business management department, internal audit department, supervision department and risk management department at all levels shall report and give advices or recommendations to the relevant department according to the prescribed procedures, and the relevant unit shall take measures in a timely manner to ensure the risk management defects are promptly addressed.

控制環境確立公司風險管理理念和總體風險管理態度，影響員工的風險意識，是風險管理其他要素的基礎，是有效實施風險管理的保障。控制環境包括職業道德、員工的勝任能力、管理理念和經營風格、組織結構、權利和責任的分配、人力資源政策與措施、董事會與審計委員會以及反舞弊等方面的監控。

風險評估是識別和分析那些影響目標實現的風險的過程，包括目標制定、風險識別、風險分析、風險反應等四個基本程序。

控制活動是為防範和規避風險，確保公司管理層的指令得到貫徹執行的必要措施，包括批准、授權、查證、核對、經營業績評價、資產保全措施和職責分工等活動。

信息與溝通是指風險管理所需的內外部信息被識別、獲得並以一定形式及時傳遞，以便員工履行職責。

監督是對風險管理有效性進行持續性檢查、評估的過程。

特點

本公司建立完善的風險管理缺陷報告制度，明確缺陷報告的部門職責、報告內容、報告程序和跟進措施。公司各級業務管理部門、內部審計部門、監察部門和風險管理部門應就發現的風險管理缺陷，按規定的程序向相關部門報告並提出處理意見或管理建議，相關單位應及時採取措施，確保風險管理缺陷得到及時處理。

Processes

Risk assessments mainly covers four basic processes, namely goal development, risk identification, risk analysis and risk response. Goal development is the prerequisite for risk identification and risk analysis. The Company first determines the strategic goals as they represent the Company's overall goal and embody the direction of its long-term development. On this basis, the Company then determines the underlying goals for the strategic goals, being business goals, compliance goals and financial reporting goals.

The Group identifies risks through three levels, being risk identification at company level, business level and financial reporting.

After risk identification and analysis, the Company will classify the importance level of risks into low, medium and high with reference to the underlying goals, the reason for occurrence of risks and the importance level of risks. Coupling with the actual situation, the Company will make proper risk response and adopt different risk response plans:

- 1) Risk aversion: to withdraw from all activities posing risks, including the disposal of subsidiaries or production lines, not to take part in the implementation of new initiatives or activities that would lead to underlying risks.
- 2) Risk mitigation: to take actions to lower the likelihood of occurrence of risks or mitigate the extent of risk impact or both, including developing or improving business procedure and enhancing related control measures.
- 3) Risk sharing: to mitigate the likelihood and impact of risks by transferring risks or sharing part of the risks, including insurance for accidental damage, outsourcing business and hedging.
- 4) Risk acceptance: not to take any actions to influence the likelihood or impact of the risks, including not to take actions but to accept risks in line with the risk tolerance level.

程序

風險評估主要經過目標制定、風險識別、風險分析、風險反應等四項基本程序。目標制定是風險識別和風險分析的前提。本公司首先確定戰略目標，因為戰略目標是本公司的總體目標，體現了公司的長遠發展方向，然後以此為基礎確定戰略目標的相關目標，即經營目標、合規性目標和財務報告目標。

本集團透過三個層面去識別風險，分別是公司層面風險識別、業務層面風險識別及財務報告風險識別。

本公司將在進行風險識別和分析後，會根據相關目標、風險發生的原因和風險重要性水平，將風險重要性水平分為低、中、高三類，結合實際情況做出適當的風險反應，確定採取不同的風險反應方案：

- 1) 迴避風險：退出產生風險的各種活動。如出售子公司、生產線，不參與實施會造成相關風險的新舉措或新活動等。
- 2) 減少風險：採取行動減少風險發生的可能性或降低風險影響程度或兩者同時降低。如建立或優化業務流程、增加相關控制措施等。
- 3) 分擔風險：通過將風險轉移或者分擔部分風險來減少風險的可能性和影響。如為意外損失保險、外包業務、套期保值等。
- 4) 接受風險：不採取任何行動去影響風險的可能性或影響。如不採取行動而接受符合風險接受程度內的風險。

For company level risks and business level risks so identified, the Company's internal control management department documents in a uniform format and forms the "Guide Sheet of Company Level Risk Database and Countermeasure" (《公司層面風險數據庫及對策指引表》) and the "Business Level Risk Database" (《業務活動層面風險數據庫》), providing organizational guarantee and institutional constraints for the Company's risk management and creating satisfactory internal environment for risk management.

During the year ended December 31, 2016, the Board, as supported by the Audit Committee as well as the management report and the internal audit findings, has performed an annual review on the adequacy and effectiveness of the Group's risk management and internal control systems in different aspects of the Group such as financial, operation, compliance and risk management, and has also assessed the accounting and financial reporting functions of the Group, estimated the resources and budgets for training programmes and appraised the staff members' qualifications and experience. In respect of continuing connected transactions, the Group has implemented a series of general management policies controlled by multiple departments to improve corporate governance structure and monitor the implementation of internal control policies, including financial control system, anti-fraud and legal monitoring system, operations and compliance management system, risk management and assessment policies and internal audit rules.

The Board considered that the abovementioned systems are effective and adequate.

公司內控管理部門將確認後的公司層面風險和業務活動層面風險，按統一的格式進行記錄，形成《公司層面風險數據庫及對策指引表》和《業務活動層面風險數據庫》，為公司風險管理提供組織保證、制度約束，營造良好的風險管理內部環境。

截至2016年12月31日止年度，根據審核委員會以及管理層報告和內部審計結果，董事會已就財務、營運、合規及風險管理等本集團不同範疇對本集團風險管理及內部監控制度的充足性及效率進行年度檢討，亦已評估本集團會計及財務報告職能、估計培訓課程的資源及預算，並核證員工的資格及經驗。關於持續關聯交易，本集團已實施一系列覆蓋全集團多部門的管理制度以完善企業治理結構並監控內部控制制度執行情況，包括財務控制體系、反欺詐及法務監控體系、運營及合規管理體系、風險控制及評估制度及內部審計制度等。

董事會認為上述系統為有效及充份。

Corporate Governance Report 企業管治報告

The internal audit department is responsible for conducting comprehensive audits of each department, subsidiary and member of the Group to facilitate the management's control on the assets of the Group. In addition, it offers consulting services in respect of internal control to each department of the Group to assist them in optimizing and enhancing the risk management and internal control systems and the operating processes. As authorized by the management, the internal audit department conducts an investigation on internal corruption. For the year ended December 31, 2016, the internal audit department did not discover any circumstances involving fraud, non-compliance or violation against laws, regulations and rules or any material incidents due to lack of internal control.

The Board considers that the current risk management and internal control systems cover the existing businesses of the Group, and will continue to be optimized in line with the business development of the Group.

In particular, the Board will devote efforts to complying with the Listing Rules, ensuring compliance with the relevant laws and regulation and safeguarding the interests of the Company and the Shareholders as a whole.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, 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.

The Board of the Company assesses the likely impact of any unexpected significant event that may impact the price of the Shares or their trading volume and decides whether the relevant information is considered as inside information and needs to be disclosed as soon as practicable pursuant to Rules 13.09 and 13.10 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. Executive Directors and the joint company secretaries are also responsible for approving certain announcements and/or circulars to be issued by the Company under powers delegated by the Board from time to time.

內部審計部門負責對本集團內各部門、各子公司及各成員醫院進行全面審計，並幫助管理層合理控制集團資產；為集團內各部門提供內部控制方面的諮詢服務，幫助彼等優化和改善風險管理及內部控制系統和操作流程；在管理層的授權下，對公司內部的舞弊事件進行調查。截至2016年12月31日止年度，內部審計部門並無發現任何涉嫌欺詐、違規或觸犯法例、規則及規例或因缺乏內部控制的重大事件的情況。

董事會認為，目前的風險管理及內部監控機制已涵蓋本集團現有業務，並將持續根據本集團的業務發展完善。

尤其是在遵守上市規則、遵守相關法律及法規、維護本公司及股東的整體權益方面，董事會將會繼續做出努力。

本公司已制訂其披露政策，其為本公司董事、行政人員、高級管理層和相關僱員提供處理機密資料、監管資料披露和回應查詢的一般指引。

本公司已實施監控程序，以確保已嚴禁未經授權訪問和使用內部資料。

針對可能影響股份價格或股份交易量的任何意料之外的重大事件，本公司的董事會評估其可能影響，並釐定有關信息是否根據上市規則第13.09條及第13.10條以及證券及期貨條例第XIVA部內幕消息條文屬內幕消息，且是否需在實際可行情況下盡快作出披露。執行董事及聯席公司秘書亦負責批准若干董事會授權本公司不時刊發的若干公告及／或通函。

COMPANY SECRETARY

Ms. Ngai Kit Fong of Tricor Services Limited, an external service provider, has been engaged by the Company as the company secretary and an authorized representative with effect from March 1, 2016.

Her primary contact person at the Company is Mr. Li Zhiyue, the Chief Financial Officer of the Company.

CONSTITUTIONAL DOCUMENTS

For the year ended December 31, 2016, the Group has not made any changes to its Memorandum and Articles of Association other than the change of company name with effect from November 2, 2016.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the re-election of retiring individual Directors. Except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, all resolutions tabled at the general meetings will be voted on by poll pursuant to the Listing Rules. Poll results will be posted on the websites of the Company and the Stock Exchange after each general meeting.

PUTTING FORWARD PROPOSALS AT GENERAL MEETING

The annual general meeting and other general meetings of the Company are primary forums for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolution(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s).

There are no provisions in the Articles of Association or the Companies Law of the Cayman Islands for Shareholders to propose new resolutions at general meetings. Shareholders who wish to propose a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the paragraph below.

公司秘書

外聘服務供應商卓佳專業商務有限公司的倪潔芳女士自2016年3月1日起獲本公司委聘為公司秘書及授權代表。

彼於本公司的主要聯絡人為本公司首席財務官李峙樂先生。

組織章程文件

截至2016年12月31日止年度，除了更改公司名稱（自2016年11月2日起生效），本集團並無對其組織章程大綱及細則作出任何變更。

股東權利

為保障股東權益及權利，股東大會上每一大致獨立事項均提呈獨立決議案，當中包括重選個別退任董事。惟除主席秉誠決定允許以舉手投票方式表決純粹屬程序或行政事宜的決議案的情況外，股東大會上提呈的所有決議案將根據上市規則以按股數投票方式表決。表決結果將於每次股東大會後在本公司及聯交所網站刊載。

於股東大會提出動議

本公司的股東週年大會及其他股東大會是本公司與其股東溝通的首要平台。本公司應按照上市規則及時向股東提供在股東大會上提呈決議案的相關資料。所提供的應是讓股東對提呈決議案作出知情決定合理的資料。

組織章程細則或開曼群島公司法概無條文可供股東引用以在股東大會上動議新決議案。有意動議新決議案的股東可要求本公司根據下段所載的程序召開股東大會。

CONVENING AN EXTRAORDINARY GENERAL MEETING BY SHAREHOLDERS

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 company 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.

INVESTOR RELATIONS

The Board believes that effective communication with investors is essential for establishing investors' confidence and attracting new investors. The Company also recognizes the importance of transparency and timely disclosure of corporate information which enables investors to make the best investment decision.

The Company has disclosed all necessary information to the Shareholders in compliance with the Listing Rules. Updated and key information of the Company is also available on the Company's website at www.crphoenix.hk. The Company also replied the enquiries from Shareholders timely, if any. The general meetings of the Company provide an important channel for communications between the Board and the Shareholders. The Chairman, as well as the chairman of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committee and where appropriate, the chairman of the independent Board Committee, will be available to answer questions at the general meetings.

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

股東召開股東特別大會

根據組織章程細則第58條，於存置有關要求當日持有附有本公司股東大會表決權的本公司實繳資本不少於十分之一之任何一名或多名股東，有權隨時藉向董事會或本公司之公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求指明之任何事項；有關大會須於遞交有關要求後兩個月內舉行。

倘自有關存置起計二十一日內，董事會未能着手召開有關大會，則要求人士可自行以相同方式行事，而要求人士因董事會不履責所產生的所有合理開支，須由本公司發還要求人士。

投資者關係

董事會相信，與投資者的有效溝通，對建立投資者信心及吸引新投資者實屬關鍵。本公司亦認同公司資料具透明度並及時作出披露的重要性，以讓投資者能作出最佳投資決定。

本公司已遵照上市規則向股東披露一切必要資料。有關本公司的最新及主要資料亦於本公司網站www.crphoenix.hk可供瀏覽。本公司亦及時回覆股東的查詢（如有）。本公司的股東大會為董事會與股東之間的溝通提供重要渠道。主席以及提名委員會、薪酬委員會及審核委員會的主席或（於彼等缺席時）各委員會的其他成員（倘適用）及獨立董事委員會主席，將在股東大會上回答提問。

就向董事會提出任何查詢而言，股東可將書面查詢發送至本公司。

附註：本公司通常不會處理口頭或匿名的查詢。

CONTACT DETAILS

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

Address: E-825, No. 6 Taiping Street, Xicheng District, Beijing 100050, PRC

Email: ir@crphoenix.hk

GENERAL MEETINGS

During the year ended December 31, 2016, the Company has convened and held one annual general meeting (“AGM”) and two extraordinary general meetings (“EGM”). Attendance records of the Directors at the general meetings are set out as follows:

聯絡詳情

股東可發送上文所述查詢或要求至：

地址：中國北京西城區太平街6號E-825室郵編100050

電郵：ir@crphoenix.hk

股東大會

截至2016年12月31日止年度，本公司已召開及舉行一次股東週年大會（「股東大會」），兩次股東特別大會（「股東特別大會」）。董事之出席記錄載列如下：

Name of the Directors	董事姓名	Number of meetings attended/convened	
		會議出席 / 應召開次數	
		AGM 股東週年大會	EGM 股東特別大會
Non-executive Directors:	非執行董事：		
Mr. Wang Yin (appointed on November 25, 2016)	王 印先生 (自2016年11月25日起獲委任)	0/0	0/0
Mr. Wang Yan (appointed on November 25, 2016)	王 彥先生 (自2016年11月25日起獲委任)	0/0	0/0
Mr. He Xuan (appointed on November 25, 2016)	賀 旋先生 (自2016年11月25日起獲委任)	0/0	0/0
Mr. Liang Hongze (resigned as executive Director and redesignated as non-executive Director on November 25, 2016)	梁洪澤先生 (自2016年11月25日起辭任執行董事，並獲調任為非執行董事)	1/1	2/2
Executive Directors:	執行董事：		
Mr. Cheng Libing (appointed on February 1, 2016)	成立兵先生 (自2016年2月1日起獲委任)	1/1	2/2
Mr. Wu Potao (appointed on November 25, 2016)	吳珀濤先生 (自2016年11月25日起獲委任)	0/0	0/0
Mr. Xu Zechang (resigned on November 25, 2016 and re-appointed on December 28, 2016)	徐澤昌先生 (於2016年11月25日起辭任，並自2016年12月28日起獲重新委任)	1/1	2/2
Ms. Xu Jie (resigned on November 25, 2016)	徐 捷女士 (於2016年11月25日起辭任)	1/1	0/0
Mr. Zhang Xiaodan (resigned on December 28, 2016)	張曉丹先生 (於2016年12月28日起辭任)	1/1	2/2
Mr. Jiang Tianfan (resigned on November 25, 2016)	江天帆先生 (於2016年11月25日起辭任)	1/1	2/2
Mr. Shan Baojie (appointed on February 1, 2016 and resigned on November 25, 2016)	單寶傑先生 (自2016年2月1日起獲委任，並於2016年11月25日起辭任)	1/1	2/2

Corporate Governance Report

企業管治報告

Name of the Directors	董事姓名	Number of meetings attended/convened	
		會議出席 / 應召開次數	
		AGM 股東週年大會	EGM 股東特別大會
Independent Non-executive Directors:	獨立非執行董事：		
Mr. Kwong Kwok Kong	鄺國光先生	1/1	2/2
Ms. Cheng Hong	程紅女士	1/1	2/2
Mr. Sun Jianhua	孫建華先生	1/1	2/2
Mr. Lee Kar Chung Felix	李家聰先生	1/1	2/2

The 2017 annual general meeting of the Company will be held on Friday, June 16, 2017. The notice of the annual general meeting will be sent to the Shareholders at least 20 clear business days before the annual general meeting.

本公司2017年股東週年大會將於2017年6月16日(星期五)舉行。股東週年大會通告將於股東週年大會前最少足20個營業日寄發予股東。

Directors and Senior Management

董事及高級管理人員

HONORARY CHAIRMAN

Mr. Fu Yuning, aged 60, has been appointed as the honorary chairman of the Group from November 25, 2016. Mr. Fu will not be entitled to remuneration from the Group in respect of his appointment as the honorary chairman. Mr. Fu serves as the chairman of CR Holdings, a member of the 12th session of the Chinese People's Political Consultative Conference, a member and vice chairman of APEC China Business Council, a member of the Economic Development Commission of the government of Hong Kong, the honorary chairman of the Hong Kong Chinese Enterprises Association and a member of the General Committee of the Hong Kong General Chamber of Commerce. Mr. Fu has nearly 30 years of experience in corporate management. He served as the chairman of the board and a director of China Resources Pharmaceutical Group Limited, a company listed on the Stock Exchange (stock code: 3320) since December 2014, a director of China Merchants Holdings (International) Company Limited (currently known as China Merchants Port Holdings Company Limited), a company listed on the Stock Exchange (stock code: 0144) from January 1999 to May 2014 and the chairman thereof from February 2000 to May 2014, an independent non-executive director of CapitaLand Limited (currently known as CapitaLand), a company listed on the Singapore Exchange Limited (stock code: C31) from July 2009 to April 2012, the chairman of China Merchants Group Limited from August 2010 to April 2014, the chairman of China Merchants Bank Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600036) and the Stock Exchange (stock code: 03968) from October 2010 to July 2014 and an independent non-executive director of Li & Fung Limited, a company listed on the Stock Exchange (stock code: 0494) from November 2011 to December 2014. Mr. Fu joined CR Holdings as the chairman of the board in April 2014. Mr. Fu obtained a doctorate degree from Brunel University in London, the United Kingdom in 1987.

榮譽主席

傅育寧先生，60歲，由2016年11月25日起獲委任為本集團榮譽主席。傅先生就其獲委任榮譽主席將不獲本集團之薪酬。傅先生擔任華潤集團董事長、第十二屆中國人民政治協商會議委員、亞太經濟合作組織中國工商理事會理事兼理事會副主席、香港特區政府經濟發展委員會委員、香港中國企業協會名譽會長及香港總商會理事會理事。傅先生在企業管理方面擁有近三十年經驗。彼自2014年12月起擔任華潤醫藥集團有限公司（於聯交所上市，股份代號：3320）之董事會主席及董事，於1999年1月至2014年5月擔任招商局國際有限公司（現稱招商局港口控股有限公司）（於聯交所上市，股份代號：0144）董事，並於2000年2月至2014年5月擔任該公司董事長，於2009年7月至2012年4月擔任嘉德置地有限公司（現稱凱德集團）（於新加坡證券交易所上市，股份代號：C31）獨立非執行董事，於2010年8月至2014年4月擔任招商局集團有限公司董事長，於2010年10月至2014年7月擔任招商銀行股份有限公司（於上海證券交易所上市，股份代號：600036；於聯交所上市，股份代號：03968）董事長，並於2011年11月至2014年12月擔任利豐有限公司（於聯交所上市，股份代號：0494）獨立非執行董事。傅先生於2014年4月加入華潤集團並擔任董事長。傅先生於1987年獲得位於英國倫敦市的布魯諾爾大學博士學位。

DIRECTORS

NON-EXECUTIVE DIRECTORS

Mr. Wang Yin, aged 61, has been appointed as a non-executive Director and the Chairman from November 25, 2016. He joined CR Holdings in 1984. Mr. Wang had been an executive director and served in various positions of China Resources Land Limited (stock code: 1109) (“China Resources Land”) including general manager and chairman of the board from August 2001 to June 2013. He was responsible for the overall business development and strategic planning while working in China Resources Land. He has been appointed as the vice chairman of CR Holdings since November 2011. Mr. Wang has also been a director of China Resources National Corporation (a controlling shareholder of the Company) since 2002. Mr. Wang obtained a Bachelor’s degree in economics from Shandong University in China in July 1983 and a Master’s degree in Business Administration from the University of San Francisco in the United States in June 1993.

Mr. Wang Yan, aged 45, has been appointed as a non-executive Director from November 25, 2016 and a member of the Audit Committee from December 28, 2016. He joined China Resources National Corporation in July 1994. From February 2016, Mr. Wang has been appointed as the chief internal auditor of Internal Audit & Supervision Department of CR Holdings. Since August 2014, Mr. Wang has been appointed as the non-executive director of China Resources Cement Holdings Limited (stock code: 1313), China Resources Gas Group Limited (stock code: 1193), China Resources Land Limited (stock code: 1109) and China Resources Power Holdings Company Limited (stock code: 836). From August 2014 to April 2016, Mr. Wang was a non-executive director of China Resources Beer (Holdings) Company Limited (stock code: 291). He was a deputy chief internal auditor of Internal Audit & Supervision Department of CR Holdings between April 2012 and February 2016. Mr. Wang was a deputy general manager of China Resources Gas (Holdings) Limited from September 2007 to April 2012. Mr. Wang was appointed as a director of China Resources Gas Limited in November 2005. He worked for China Resources Petrochems (Group) Company Limited (currently known as Sinopec (Hong Kong) Petroleum Holding Company Limited) from 2000 to 2007. Mr. Wang obtained a Bachelor’s degree in economics from the Finance and Accounting Department, Capital University of Economics and Business and obtained a Master’s degree in Business Administration from the University of South Australia. Mr. Wang is a qualified PRC Certified Accountant.

董事

非執行董事

王印先生，61歲，由2016年11月25日起獲委任為非執行董事及董事長。於1984年加入華潤集團。王先生於2001年8月至2013年6月在華潤置地有限公司（股份代號：1109）（「華潤置地」）任執行董事並曾先後擔任總經理及董事長。於華潤置地任職期間，彼負責整體業務發展與策略部署。彼自2011年11月起獲委任為華潤集團之副董事長。王先生同時自2002年起兼任中國華潤總公司（公司控股股東）之董事。王先生於1983年7月取得中國山東大學經濟學學士學位及於1993年6月取得美國舊金山大學工商管理學碩士學位。

王彥先生，45歲，由2016年11月25日起獲委任為非執行董事及由2016年12月28日起獲委任為審核委員會委員。於1994年7月加入中國華潤總公司。自2016年2月起，王先生獲委任為華潤集團審計監察部總監。自2014年8月起，王先生獲委任為華潤水泥控股有限公司（股份代號：1313）、華潤燃氣控股有限公司（股份代號：1193）、華潤置地有限公司（股份代號：1109）及華潤電力控股有限公司（股份代號：836）的非執行董事。自2014年8月至2016年4月，王先生擔任華潤啤酒（控股）有限公司（股份代號：291）的非執行董事。彼於2012年4月至2016年2月，擔任華潤集團審計監察部副總監。王先生於2007年9月至2012年4月為華潤燃氣（集團）有限公司副總經理。王先生於2005年11月獲委任為華潤燃氣有限公司的董事。彼自2000年至2007年於華潤石化（集團）有限公司（現稱為中石化（香港）石油控股有限公司）任職。王先生取得首都經貿大學財會系經濟學學士學位並取得國立南澳大學工商管理碩士學位。王先生擁有中國註冊會計師資格。

Directors and Senior Management 董事及高級管理人員

Mr. He Xuan, aged 56, has been appointed as a non-executive Director from November 25, 2016. Mr. He obtained a Bachelor's degree in chemical engineering from Tianjin University with a major in chemical catalysis in 1983. Mr. He had worked as the deputy manager of Beijing Chemical & Industry Group Import and Export Company Limited* (北京化工集團進出口公司), a director and the general manager of Beijing Pharmaceutical Group Company Limited* (北京醫藥集團有限責任公司) and the senior deputy general manager of China Resources Pharmaceutical Group Limited. Mr. He has been appointed as the chairman of the board of CR Healthcare Group since July 2014.

Mr. Liang Hongze, aged 45, has been redesignated as a non-executive Director from November 25, 2016. He is also a member of the Nomination Committee. Mr. Liang has been appointed as the general manager of CR Healthcare Group since December 2016. Mr. Liang joined Phoenix Hospital Management (Beijing) Co., Ltd. (currently known as Beijing Wantong) in March 2004. Since March 2004, Mr. Liang has served in various positions in the Group, including investment director, chief financial officer and general manager of the Group. Mr. Liang was the Chairman from February 2013 to April 2016 and an executive Director and the Chief Executive Officer from February 2013 to November 2016. Before joining the Group, Mr. Liang worked in the finance and investment management field for over 10 years. Mr. Liang served as an investment director in Shanghai Chunda Investment Management Co., Ltd. (上海淳大投資管理有限公司) from March 2002 to July 2004, a senior manager in the investment banking division of Industrial Securities Co., Ltd. (興業證券股份有限公司) from September 2000 to February 2002 and an accountant in China Financial Computerization Corp (中國金融電子化公司) from July 1993 to August 1997. Mr. Liang received a Master's degree in Finance from the Graduate School of the People's Bank of China (中國人民銀行總行金融研究所研究生部) in Beijing in October 2000 and a Bachelor's degree in Investment Management from Dongbei University of Finance and Economics (東北財經大學) in Dalian in July 1993.

賀旋先生，56歲，由2016年11月25日起獲委任為非執行董事。賀先生於1983年取得天津大學化工學學士學位，主修化工催化專業。賀先生曾擔任北京化工集團進出口公司副經理、北京醫藥集團有限責任公司董事兼總經理及華潤醫藥集團有限公司高級副總經理。賀先生自2014年7月起獲委任為華潤醫療集團董事長。

梁洪澤先生，45歲，由2016年11月25日起調任為非執行董事兼留任提名委員會成員。梁先生於2016年12月起，擔任華潤醫療集團總經理。梁先生於2004年3月加入鳳凰醫院管理(北京)有限公司(現稱北京萬同)。自2004年3月起，梁先生已在本集團擔任眾多不同職位，包括本集團的投資主管、首席財務官及總經理。梁先生於2013年2月至2016年4月擔任董事長及於2013年2月至2016年11月擔任執行董事及行政總裁。加入本集團前，梁先生從事金融及投資管理領域工作超過10年。梁先生於2002年3月至2004年7月擔任上海淳大投資管理有限公司的投資主管，2000年9月至2002年2月擔任興業證券股份有限公司投資銀行部高級經理，1993年7月至1997年8月擔任中國金融電子化公司會計師。梁先生於2000年10月於北京獲得中國人民銀行總行金融研究所研究生部金融碩士學位，於1993年7月於大連獲得東北財經大學投資管理學士學位。

* For identification purposes only

* 僅供識別

Directors and Senior Management 董事及高級管理人員

EXECUTIVE DIRECTORS

Mr. Cheng Libing, aged 52, is an executive Director and the vice Chairman. Mr. Cheng joined the Group in September 2010 and is primarily responsible for daily operations of the Group. He has been appointed as an executive Director and the vice Chairman since February 2016. Mr. Cheng served as the deputy general manager of Beijing Huaren Intech Hospital Management Consulting Co., Ltd. (北京華仁英智醫院管理諮詢有限公司) from 2006 to 2008 and the deputy general manager of Beijing Huaren Intech Hospital Management Consulting Co., Ltd., Beijing Intech Eye Hospital Co., Ltd. (北京英智眼科醫院有限公司) and Intech Medical Chain (英智醫療連鎖機構) from 2008 to 2010. From 1999 to 2002, Mr. Cheng has served various positions at Beijing Kangchen Pharmaceutical Co., Ltd. (北京康辰醫藥發展有限公司), including general manager assistant. Mr. Cheng also worked as a resident doctor at Dongzhimen Hospital Affiliated to Beijing University of Chinese Medicine (北京中醫藥大學附屬東直門醫院) from 1988 to 1998. Mr. Cheng received a Bachelor's degree in Traditional Chinese Medicine from Beijing University of Chinese Medicine (北京中醫藥大學) in Beijing in July 1988.

Mr. Wu Potao, aged 48, was appointed as an executive Director and the Executive General Manager on November 25, 2016 and was appointed as the Chief Executive Officer and a member of the Remuneration Committee on December 28, 2016. Mr. Wu was the Executive General Manager and vice Chairman during the period from February 2006 to October 2012. He rejoined the Group as a deputy general manager in October 2016. During the period from July 2014 to September 2016, Mr. Wu was the director and general manager of CITIC Private Equity Beijing HongCi Healthcare Co., Ltd* (中信產業基金北京弘慈醫療投資管理有限公司), responsible for the management and operation. Mr. Wu was a director and the executive deputy general manager of Beijing Shougang Healthcare Investment Company Limited* (北京首鋼醫療投資有限公司) from November 2012 to June 2014, responsible for the management and operation. Mr. Wu obtained a Bachelor's degree in Engineering from the Chinese People's Police University in July 1991, and received an EMBA degree from Tsinghua University in January 2012.

* For identification purposes only

執行董事

成立兵先生，52歲，執行董事兼副董事長。成先生於2010年9月加入本集團，主要負責本集團的日常營運。彼於2016年2月獲委任為執行董事及副董事長。成先生於2006年至2008年擔任北京華仁英智醫院管理諮詢有限公司副總經理，於2008年至2010年擔任北京華仁英智醫院管理諮詢有限公司、北京英智眼科醫院有限公司以及英智醫療連鎖機構的副總經理。1999年至2002年，成先生曾於北京康辰醫藥發展有限公司擔任多個職位，包括總經理助理。成先生亦曾於1988年至1998年擔任北京中醫藥大學附屬東直門醫院的住院醫師。成先生於1988年7月於北京獲得北京中醫藥大學中醫藥學士學位。

吳珀濤先生，48歲，於2016年11月25日起獲委任為執行董事及執行總經理，並於2016年12月28日起獲委任為行政總裁及薪酬委員會委員。吳先生於2006年2月至2012年10月曾擔任執行總經理及副董事長。自2016年10月起再次加入本集團擔任副總經理。2014年7月至2016年9月期間吳先生曾擔任中信產業基金北京弘慈醫療投資管理有限公司董事及總經理，負責管理及營運。2012年11月至2014年6月期間吳先生曾擔任北京首鋼醫療投資有限公司董事及常務副總經理，負責管理及營運。吳先生於1991年7月取得中國人民警官大學工學學士學位，並於2012年1月取得清華大學高級管理人員工商管理碩士學位。

* 僅供識別

Directors and Senior Management 董事及高級管理人員

Mr. Xu Zechang, aged 54, an executive Director and the Executive General Manager. Mr. Xu joined Phoenix Hospital Management (Beijing) Co., Ltd. (currently known as Beijing Phoenix Wantong Investment Management Co., Ltd.) in March 2004 and has served as the executive administrator of Mentougou Hospital (門頭溝區醫院) since October 2011. Mr. Xu also served as an executive Director from September 2013 to November 2016 and was re-appointed as an executive Director on December 28, 2016. He also served as the executive administrator of Yan Hua Hospital (北京燕化醫院) from May 2007 to December 2010, the vice administrator of Beijing Jian Gong Hospital Co., Ltd. (北京市健宮醫院有限公司) from May 2005 to May 2007, and the executive administrator of Wuxi New District Hospital (無錫新區醫院) from May 2004 to May 2005. Mr. Xu has experience as an attending doctor, vice director doctor, vice director of a Cardiology Department and an acting director of Cardiology Department at the General Hospital of China PLA Beijing Military Region (中國人民解放軍北京軍區總醫院), a Grade III general hospital, from 1991 to 2003, and a resident doctor at the General Hospital of the People's Liberation Army of China (中國人民解放軍總醫院), the largest Grade III general hospital affiliated to the People's Liberation Army of China, from 1984 to 1991.

Mr. Xu attended the Military Medical School of People's Liberation Army of China (中國人民解放軍軍醫進修學院) in Beijing in July 2006 and July 1991 respectively to study medicine and he obtained his bachelor degree in military surgeon from Southern Medical University (南方醫科大學) (formerly known as First Military Medical University of People's Liberation Army of China (中國人民解放軍第一軍醫大學) in Guangzhou in July 1984.

徐澤昌先生，54歲，執行董事兼執行總經理。徐先生於2004年3月加入鳳凰醫院管理(北京)有限公司(現稱北京鳳凰萬同投資管理有限公司)並自2011年10月起一直擔任已於門頭溝區醫院的執行院長。徐先生亦於2013年9月至2016年11月擔任執行董事，並於2016年12月28日獲重新委任為執行董事。彼於2007年5月至2010年12月亦擔任北京燕化醫院的執行院長、2005年5月至2007年5月擔任北京市健宮醫院有限公司的副院長及2004年5月至2005年5月期間擔任無錫新區醫院的執行院長。徐先生自1991年至2003年曾擔任中國人民解放軍北京軍區總醫院(一家三級綜合醫院)心內科主任醫師、副主任醫師和副主任以及代理主任、在1984年至1991年，徐先生是中國人民解放軍總醫院(隸屬於中國人民解放軍的最大三級綜合醫院)的住院醫師。

徐先生分別於2006年7月和1991年7月在北京市中國人民解放軍軍醫進修學院修讀醫科。徐先生於1984年7月於廣州獲得南方醫科大學(前稱中國人民解放軍第一軍醫大學)軍醫學士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwong Kwok Kong, aged 69, is an independent non-executive Director and also the chairman of the Audit Committee. He currently serves as the chief executive officer of Pok Oi Hospital, a well-known non-profit making hospital in Hong Kong. As the chief executive officer, Mr. Kwong has been providing corporate governance and management support to the board of directors for development, management and supervision of these units for the past 10 years. He initially joined Pok Oi Hospital as an internal audit manager in 2003. Before joining Pok Oi Hospital, Mr. Kwong served as the principal auditor of the Audit Commission of the Government of the Hong Kong Special Administrative Region. Mr. Kwong served in the Audit Commission of the Government of the Hong Kong Special Administrative Region since 1980. Mr. Kwong has been a member of the Hong Kong Institute of Certified Public Accountants since 1982.

Ms. Cheng Hong, aged 47, is an independent non-executive Director and also the chairman of the Nomination Committee and a member of the Audit Committee. Ms. Cheng has been the marketing director and the general manager of market management department of CITIC Trust Co., Ltd. (中信信託有限責任公司) since May 2010. Prior to joining CITIC Trust Co., Ltd., she had held various positions, including chairman of the board of supervisors and general manager of Orient Fund Management Co., Ltd. (東方基金管理有限責任公司) from June 2004 to May 2010. From October 2000 to June 2004, Ms. Cheng worked in Northeast Securities Co., Ltd. (東北證券有限責任公司) as the general manager of its Beijing branch and as an assistant to the chief executive officer. Between December 1999 and October 2000, Ms. Cheng was the deputy general manager of Changchun Jiefang Road Branch of Northeast Securities Co., Ltd. (東北證券有限責任公司長春解放大路) (the former Changchun Jiefang Road Branch of Jilin Province Trust Co., Ltd. (吉林省信託投資公司長春解放大路)). Ms. Cheng served as a credit staff at the real estate credit department of Jilin Branch of China Construction Bank (建設銀行吉林省分行) between July 1999 and December 1999, and a credit staff at the real estate credit department of Hebei Branch of China Construction Bank (建設銀行河北省分行) from July 1992 to July 1999.

獨立非執行董事

鄺國光先生，69歲，獨立非執行董事兼審核委員會主席。鄺先生現時為香港著名非營利醫院博愛醫院的行政總裁。作為行政總裁，鄺先生在過去10年一直為董事會提供公司管治和管理支援，以發展、管理和監督這些單位。鄺先生於2003年加入博愛醫院，任職內部核數經理。加入博愛醫院前，鄺先生曾擔任香港特別行政區政府審計署首席核數師。鄺先生自1980年起於香港特別行政區政府審計署任職，1982年成為香港會計師公會會員。

程紅女士，47歲，獨立非執行董事，同時亦為提名委員會主席兼審核委員會成員。程女士自2010年5月起一直擔任中信信託有限責任公司的營銷總監兼市場管理部總經理。加入中信信託有限責任公司前，程女士曾於2004年6月至2010年5月在東方基金管理有限責任公司歷任數職，包括監事會主席和總經理。程女士曾於2000年10月至2004年6月任職東北證券有限責任公司擔任北京分公司總經理兼行政總裁助理。1999年12月至2000年10月，程女士擔任東北證券有限責任公司長春解放大路（原吉林省信託投資公司長春解放大路）副總經理。1999年7月至1999年12月及1992年7月至1999年7月，程女士分別擔任建設銀行吉林省分行房地產信貸部信貸員，以及建設銀行河北省分行房地產信貸部的信貸員。

Directors and Senior Management 董事及高級管理人員

Ms. Cheng had been a visiting scholar at the Wharton School of the University of Pennsylvania in the United States from March 2009 to June 2009. She received an MBA degree from Cheung Kong Graduate School of Business in Beijing in March 2006, a Master's degree in Accounting from Research Institute for Fiscal Science of the Ministry of Finance in Beijing in October 2003, and a bachelor degree in Engineering from Agricultural University of Hebei (河北農業大學) in Baoding in July 1992.

Mr. Sun Jianhua, aged 41, is an independent non-executive Director and also a member of the Audit Committee and the chairman of the Remuneration Committee. Mr. Sun has joined Guosen Securities Co., Ltd. (國信證券股份有限公司) since August 2005 and is currently a managing director of the investment banking division of Guosen Securities Co., Ltd.. Prior to joining Guosen Securities Co., Ltd., Mr. Sun had served in various investment banks and securities companies, including Daton Securities Co., Ltd. (大通證券股份有限公司) from April 2003 to July 2005, Industrial Securities Co., Ltd. (興業證券股份有限公司) from January 2001 to March 2003, and CITIC Securities Co., Ltd. (中信證券股份有限公司) from March 1999 to December 2000. Mr. Sun received a master's degree in International Finance from the Graduate School of PBOC in Beijing in April 1999 and a bachelor degree in Transportation Economics from Beijing Jiaotong University (北京交通大學) (the former Northern Jiaotong University (北方交通大學)) in Beijing in July 1996.

Mr. Lee Kar Chung Felix, aged 34, is an independent non-executive Director and also a member of each of the Remuneration Committee and the Nomination Committee.

Mr. Lee is currently a senior vice president of Chow Tai Fook Enterprises Limited ("Chow Tai Fook Enterprises"), responsible for making investments in the healthcare sector in Asia and globally. He is also a director of Healthcare Ventures Holdings Limited, a wholly owned subsidiary of CTFE and substantial shareholder of UMP Healthcare Holdings. Mr. Lee is also an executive director

程女士在2009年3月至2009年6月為美國賓州大學沃頓商學院的訪問學者。彼於2006年3月於北京獲得長江商學院工商管理碩士學位，於2003年10月於北京獲得財政部財政科學研究所會計碩士學位，於1992年7月於保定獲得河北農業大學工程學士學位。

孫建華先生，41歲，獨立非執行董事，同時亦為審核委員會委員兼薪酬委員會主席。孫先生自2005年8月加入國信證券股份有限公司，現時為國信證券股份有限公司投資銀行部的董事總經理。加入國信證券股份有限公司之前，孫先生曾於多間投資銀行及證券公司任職，2003年4月至2005年7月任職大通證券股份有限公司、2001年1月至2003年3月任職興業證券股份有限公司，1999年3月至2000年12月任職中信證券股份有限公司。孫先生於1999年4月於北京獲得中國人民銀行總行金融研究所研究生部國際金融碩士學位，1996年7月於北京獲得北京交通大學(前北方交通大學)運輸經濟學學士學位。

李家聰先生，34歲，獨立非執行董事，同時亦分別為薪酬委員會兼提名委員會委員。

李先生現為周大福企業有限公司(「周大福企業」)高級副總裁，負責對亞洲及全球的健康產業作出投資。彼亦為Healthcare Ventures Holdings Limited(周大福企業的全資附屬公司及聯合醫務集團的主要股東)的董事。李先生亦為

Directors and Senior Management 董事及高級管理人員

of UMP Healthcare Holdings (Stock Code: 722), a leading corporate healthcare solutions provider in Hong Kong, where he is responsible for corporate development, international operations and merger and acquisitions. The Group, through Pinyu, owns 15% of UMP Healthcare Holdings as at the date of this annual report. Mr. Lee has over ten years of experience in law and finance. He was an associate with the law firm Freshfields Bruckhaus Deringer before he left in February 2008 to join UBS AG, Hong Kong branch as an analyst in the investment banking department until January 2009. He then joined the investment banking department of Deutsche Bank AG, Hong Kong branch and last held the position of Director in the Corporate Advisory Group, where he worked from January 2009 to August 2014.

Mr. Lee obtained his bachelor degree in Laws from the London School of Economics and Political Sciences and his Postgraduate Certificate in Laws from The University of Hong Kong in July 2003 and June 2004, respectively. He is a solicitor of the High Court of Hong Kong since September 2007 and a solicitor (non-practising) in the Senior Courts of England and Wales since February 2013.

SENIOR MANAGEMENT

Mr. Li Zhiyue, aged 39, is the Chief Financial Officer. Mr. Li joined the Group and served as the current position in November 2016.

Mr. Li joined CR Holdings in May 2011, and has been the chief financial officer of CR Healthcare Group since June 2014. Prior to joining CR Holdings, Mr. Li worked in Bank of China, Hong Kong Monetary Authority, Shinhan Asia Limited and Credit Agricole Corporate and Investment Bank. Mr. Li has been a Chartered Financial Analyst (CFA) charterholder since September 2006. Mr. Li obtained a Master's degree in Finance from London Business School in September 2005 and a Bachelor's degree in Economics from Renmin University of China in July 2001.

香港領先的企業醫療健康管理方案提供商－聯合醫務集團的執行董事(股份代號：722)，負責企業發展、國際營運及合併收購事宜。於本年報日期，本集團透過Pinyu擁有聯合醫務集團的15%權益。李先生於法律及財務方面擁有逾十年經驗。彼曾為富而德律師事務所律師，其後於2008年2月離職加入瑞士銀行香港分行投資銀行部分析師，直至2009年1月。李先生曾於2009年1月至2014年8月任職德意志銀行香港分行投資銀行部，離職前擔任企業顧問部董事。

李先生於2003年7月自倫敦政治經濟學院(London School of Economics and Political Sciences)取得其法律學士學位，並於2004年6月自香港大學取得法學專業證書。彼自2007年9月起為香港高等法院律師，並自2013年2月起為英格蘭及威爾士高級法院律師(非執業)。

高級管理人員

李峙樂先生，39歲，首席財務官。李先生於2016年11月加入本集團並擔任當前職務。

李先生於2011年5月加入華潤集團，並自2014年6月起擔任華潤醫療集團首席財務官。加入華潤集團前，李先生先後於中國銀行、香港金融管理局、新韓亞洲金融有限公司和東方匯理銀行任職。李先生自2006年9月起為特許金融分析師(CFA)，李先生於2005年9月取得倫敦商學院金融學碩士學位，並於2001年7月取得中國人民大學經濟學學士學位。

Environmental, Social and Governance Report

環境、社會及管治報告

In 2016, the Group continued to refine the environmental, social and governance system in accordance with the relevant PRC laws and regulations and the requirements of the “Environmental, Social and Governance Reporting Guide” in Appendix 27 of the Listing Rules. Under the guidance of the national policies on further deepening the medical and health system reform and speeding up the divest of auxiliary hospitals in the state-owned enterprises, the Group has become the largest general hospital group in China through the asset reorganization with CR Healthcare Group. With the enhancement of the Group’s strengths, we will offer more quality healthcare services, continue to strictly fulfill the regulatory requirements on environmental, social, governance and establish an industrial development paradigm.

The Board takes on full responsibilities for the Company’s ESG strategies and reporting. In line with the CG Code, the Board is responsible for evaluating and determining the Company’s ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. The management of the Company acknowledges the effectiveness of these systems.

As the largest general hospital group in China, we are committed to providing quality and safe healthcare services to the public and managing the environmental, economic and social aspects under the principle of sustainable development. The Group incorporates the idea of environmental protection, energy saving, caring for staff and public healthcare services into its operation and development to create values for staff, customers and shareholders while pursuing the unified economic and social benefits. The achievement of the above commitments is a significant objective on the management front, as well as the joint responsibility sharing among all employees of the Company.

The Group incorporates international standards, national requirements and industry standards into healthcare services, procurement and management activities. The ESG works strive to comply and exceed the minimum legal standards, which applies to all Directors, officers and staff of the Group.

本集團在2016年度，按照國家相關法律法規和上市規則附錄27之《環境、社會及管治報告指引》要求，持續完善環境、社會及管治體系。本集團在國家進一步深化醫藥衛生體制改革，國有企業加快輔業醫院剝離的政策指引下，通過與華潤醫療集團的資產重組，成為中國規模最大的綜合醫院集團。集團化實力增強，將提供更好的優質醫療服務，繼續嚴格履行環境、社會及管治監管要求，樹立產業發展典範。

董事會肩負本公司環境、社會及管治策略及匯報方面的全部責任。為配合企業管治守則，董事會負責評定本公司在環境、社會及管治方面的有關風險，確保本公司制訂合適有效的環境、社會及管治風險管理及內部監控制度。本公司管理層確認該等制度的成效。

作為中國規模最大綜合醫院集團，我們致力於向社會大眾提供優質安全的醫療服務，以可持續發展的方式管理環境、經濟及社會等各範疇，本集團將保護環境、節約能源、關愛員工、服務大眾健康等理念落實到集團的經營發展中，在為員工、顧客以及股東創造價值的同時追求經濟效益和社會效益的統一。達到以上的承諾是管理上的重大目標，同時也是本公司所有僱員的共同責任。

本集團將國際標準、國家規定和行業標準融入醫療服務、採購和經營管理活動中，環境、社會及管治工作致力於遵守、優於最低法律標準，這用於本集團全體董事、高層人員及員工。

Environmental, Social and Governance Report

環境、社會及管治報告

The Board is the highest decision-making organisation for ESG works. The specific works are handled by the Group's Operation and Development Committee and the functional departments of the Group. The Group has established the three-tier ESG system in the headquarters, subsidiaries, in-network hospitals and related departments, providing protection for the implementation of ESG works.

The Group's functional departments conduct regular research and analysis on the ESG works of each in-network hospitals and report to the Operation and Development Committee, which directly reports to the Board in respect of the meetings. Our subsidiaries and in-network hospitals are the executor of ESG works with specific departments docking with the Group for each ESG work. The Group's functional departments and in-network hospitals perform the Group's general obligations for ESG to ensure the compliance of daily operations with ESG-related requirements.

董事會是環境、社會及管治工作的最高決策機構，具體工作由集團經營與發展委員會以及本集團各職能部門負責。集團在總部、子公司、各成員醫療機構及其相關部門建立三級聯動的環境、社會及管治體系，為環境、社會及管治工作實施提供保障。

本集團職能部門定期對各成員機構環境、社會及管治工作進行研究分析，向經營與發展委員會匯報。本集團經營與發展委員會將會議情況直接向董事會匯報。子公司、各成員醫療機構是環境、社會及管治工作的具體執行者，各項工作均有具體的部門與集團對接。本集團職能部門及各成員醫療機構實施集團環境、社會及管治的常規責任，確保日常營運均符合環境、社會及管治相關規定。

A. ENVIRONMENT

A1. Emissions

The Group has formulated the “Safety Administration Plan for Harmful Substances” (有害物質安全管理計劃) and the “Clinical Waste Management System” (醫療廢物管理制度) in each hospital in accordance with the relevant requirements of the “Environmental Protection Law of the People’s Republic of China”. The abovementioned system or plan emphasizes

A. 環境

A1. 排放物

本集團按照《中華人民共和國環境保護法》相關要求，在各醫院制定了《有害物質安全管理計劃》、《醫療廢物管理制度》。上述制度側重於有害物質（含危化品及醫療廢物）的管理，包括存



Environmental, Social and Governance Report 環境、社會及管治報告

the management of harmful substances (i.e. hazardous chemicals and clinical waste), including the location of storage, container labels as well as the protection, anti-leakage treatment and waste treatment in the use of harmful substances. In particular, the hospitals perform supervision and inspection of the storage and labels of hazardous chemicals, and would prepare a quarterly summary analysis on the results.

Treatments of clinical sewage and clinical waste emissions are as follows:

- ① Disposed chemical reagents and heavy metal waste are delivered to Beijing BBMG Hongshulin Environment Protection Technology Co., Ltd. (北京金隅紅樹林環保技術有限責任公司), which is qualified for treatment, transportation and handling of hazardous waste, for transit and innocuous treatment.
- ② Clinical waste is collected from its source and put into containers with related proper labels. Afterwards, the labeled clinical waste is delivered to clinical waste storage facilities by means of exclusive-use collection vehicles, pending further transit and innocuous treatment by Beijing Environment Sanitation Group Co., Ltd (北京環境衛生工程集團有限公司).
- ③ Damaged thermometers and sphygmomanometers which contain mercury are delivered to Beijing Hazardous Waste Materials Treatment Centre (北京市危險廢物處置中心).
- ④ Sewage discharged by hospitals would undergo chlorination treatment and tests by designated staff to meet the relevant requirements of “Discharge Standard of Water Pollutants for Medical Organization (GB18466-2005)” (醫療機構水污染物排放標準 (GB18466-2005)). The governmental authority conducts regular random testing on sewage (testing bases: HJ586-2010 and HJ/T347-2007). In case of any test failure of samples, the governmental authority would present a testing report to the relevant hospitals.

放位置、存放容器標識、使用中的防護、洩漏處理以及廢棄等內容。醫院主要對危化品的儲存、標識進行監督檢查，每季度總結分析。

關於醫療廢水和醫療廢棄物的排放、處理包括以下內容：

- ① 廢棄的化學試劑、重金屬廢物，交由具備危險廢物專業運輸處置資質的北京金隅紅樹林環保技術有限責任公司轉運後進行無害化處理。
- ② 醫療廢物從產地將其收集放入有正確標記的收集容器內，貼上相應的醫療廢物標識，用專用收集車運送到醫療廢物貯存處存放，由北京環境衛生工程集團有限公司轉運後進行無害化處理。
- ③ 含有汞的破損的體溫計、血壓計，交由北京市危險廢物處置中心。
- ④ 醫院排放的污水，由專職人員進行氯處理和檢測，符合《醫療機構水污染物排放標準》(GB18466-2005)有關規定，政府定期進行抽檢（污水檢測依據：HJ586-2010和HJ/T347-2007），抽檢不合格時向醫院提交檢測報告。

A2. Use of Resources

The Group has formulated the “Optimizing System of Resources Decision Making” (資源決策優選制度) in each hospital in accordance with the requirements of the “Resources Conservation Law of the People’s Republic of China”. The system focuses on regulating the management of the resources decision making process, under which definite requirements for the quality, rational allocation and use of newly purchased resources are proposed. Upon implementation of the decisions, we would monitor the outcome and assess the effectiveness and safety of the decisions based on the relevant information in order to revise the decisions. Accordingly, the abovementioned policies are ensured to be effectively put into practice.

Meanwhile, we have formulated the “Administration Plan on the Safety of Public Utilities” (公用設施安全管理計劃), “Administration Plan for Safety Protection” (安全防護管理計劃) and “Administration Plan on the Safety of Medical Technology” (醫療技術安全管理計劃). In addition, we implemented the “Administration Plan on the Safety of Utilities” (設施安全管理計劃) to ensure the abovementioned plans are put into practice effectively. The “Administration Plan on the Safety of Utilities” emphasizes the management of public utilities such as water, electricity, gas and buildings, as well as medical equipment in the hospitals. It has also imposed definite requirements for the daily use, repair and maintenance of resources. We conduct annual risk assessment on the use and management of those resources such as equipment and utilities, and formulated the relevant plans based on the assessment results. Quarterly summary analysis will be made on the implementation of plans.

A2. 資源使用

本集團按照《中華人民共和國節約資源法》要求，在各醫院制定了《資源決策優選制度》，該制度側重於規範資源決策過程的管理，就新購資源的品質和合理分配使用提出了明確的要求。在決策實施後，監控決策的結果，並利用相關資料評估決策的有效性、安全性，進行再決策。保證上述政策得以有效執行。

同時，還制定了《公用設施安全管理計劃》、《安全防護管理計劃》以及《醫療技術安全管理計劃》，並通過《設施安全管理計劃》，保證上述計劃的有效執行。該計劃側重於醫院水、電、氣、建築物等公用設施和醫療設備管理，就資源的日常使用、維護、保養等方面提出了明確的要求。每年對設備及設施等資源的使用和管理情況，進行風險評估，根據評估結果制定計劃，每季度對計劃執行情況進行分析總結。

A3.Environmental and Natural Resources

As a responsible corporate citizen, the Group recognizes the importance of good environmental stewardship. In this connection, the Group strictly adopted and implemented certain policies and procedures to ensure environmental protection up to a standard which is not less stringent than the prevailing environmental laws and regulations of the PRC. We are of the view that we were in compliance with all the relevant PRC laws and regulations regarding environmental protection in all material respects during the year ended December 31, 2016 and as of the date of this annual report. No environmental claims, lawsuits, penalties or administrative sanctions were reported to our management. During the Reporting Period, there was no environmental incidents occurred in the Group.

We have formulated the “Administration Plan for Radiation Safety” (放射安全管理計劃) and “Emergency Radiation Plan” (輻射應急預案) in each hospital. These policies emphasize the safety management of radiation, under which definite requirements for radiographic equipment, protection, and the treatment of the relevant radioactive waste are imposed. Every year, qualified testing and assessment institutions are designated by the hospitals to monitor and inspect the radiographic devices and radioactivity level in the workplace. We also conduct radiation emergency drills, review the emergency response and make summary analysis accordingly.

B. SOCIAL

B1. Employment

In order to regulate employment and specify the basic rights of employees, CR Phoenix formulated and strictly implemented the relevant management systems and rules in strict compliance with the relevant PRC laws, regulations and administrative rules, including

A3. 環境及天然資源

作為負責任的企業公民，本集團深明良好環境管理尤為重要。有見及此，本集團嚴格採納及實施政策及程式確保環境保護，且有關準則標準不比中國現有環境法例及法規寬鬆。我們認為，於截至2016年12月31日止年度及於本年報日期，我們在各主要方面遵守有關環境保護的所有相關中國法律及法規。我們的管理層概無接獲涉及環境索償、訴訟、罰則或行政處分的報告。於報告期間，本集團未發生環境事故。

在各醫院制定了《放射安全管理計劃》和《輻射應急預案》。該制度側重於放射安全方面的管理，就所有放射設備、防護及與放射有關的廢棄物處理提出了明確的要求。每年醫院由具有資質的檢測和評價機構對醫院內所有放射儀器和工作場所的放射水準進行監測，並進行放射事故的演習，對回應情況進行評價和總結。

B. 社會

B1. 僱傭

為規範僱傭並明確員工基本權益，華潤鳳凰嚴格遵守國家相關法律、法規、行政條例等，制定並嚴格執行相關管理制度及辦法，包含《華潤鳳凰員工手冊(修訂)》、《華潤鳳凰員工離職管

“CR Phoenix Staff Handbook (Revised)” (華潤鳳凰員工手冊(修訂)), “Regulations for the Administration on Resignation of Employees of CR Phoenix (Revised)” (華潤鳳凰員工離職管理規定(修訂)), “Regulations for the Administration on Staff Attendance of CR Phoenix (Revised)” (華潤鳳凰員工考勤管理規定(修訂)) and “Regulations for the Administration on the Middle Management of CR Phoenix (Revised)” (華潤鳳凰中層幹部管理規定(修訂)), which set out definite requirements for various aspects, such as compensation and disposal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination and other benefits and welfare, while strictly regulating the staff allocation, social security management and code of conduct for employees in order to protect the legitimate rights of employees to the maximum extent.

理規定(修訂)》、《華潤鳳凰員工考勤管理規定(修訂)》、《華潤鳳凰中層幹部管理規定(修訂)》等；對補償和處置、招聘和晉升、工時、休息時間、平等機會、多元化、反歧視以及其他利益和福利等方面均做出了明確的規定，對公司用工、社會保障管理、員工行為準則嚴格加以規範，最大限度的維護並保證員工的合法權益。

B2. Health and Safety

Safeguarding a healthy and safe working environment for our employees is not only the core value of the Company, but also the most essential part of the Company’s social responsibility. The Company has strictly carried on its social responsibility of maintaining health and safety for employees, which helps to persist in the principle of the priority of prevention and combining prevention with control. On one hand,

B2. 健康與安全

保護員工的健康和安全，是本公司管理的根本，也是本公司一直踐行的最重要的社會責任。本公司嚴格按照國家相關法律法規，執行並踐行維護員工健康和安全的社會責任，堅持預防為主，防治結合的原則，一方面投入必要的資金，保障消防安全設施的完



Environmental, Social and Governance Report 環境、社會及管治報告

the Company has invested sufficient financial resources in order to improve and manage the fire safety equipment. On the other hand, the Company sends warning notices and alerts regarding health and work safety to employees through internal and external documents, emails, WeChat and video clips during working days so as to raise employees' awareness of work safety. Meanwhile, health and work safety standards are included in staff performance appraisal to ensure they are being implemented precisely. During the year of 2016, there was no incidents occurred in the Group.

According to various risk grades in different workplaces, the Group has formulated "Employee Health Check Program" (員工健康體檢計劃) and "Employee Immunization Program" (員工免疫計劃) in each hospital. These are complied with various requirements including "Law of the People's Republic of China on Prevention and Control of Occupational Diseases" (中華人民共和國職業病防治法), "Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases" (中華人民共和國傳染病防治法), "Law of the People's Republic of China on Prevention and Control of Radioactive Pollution" (中華人民共和國放射性污染防治法), as well as "Infection Control Measures for Hospitals" (醫院感染管理辦法) and "Regulations on Technology for Quarantine and Isolation in Hospitals" (醫院隔離技術規範) promulgated by NHFPC. The Group conducts health checks for employees in all hospitals concerned and provide the employees who are identified as poor physical condition with diagnosis and medical advice each year. We have also formulated "Individual Protection Procedures for Employees" (員工個人防護規程) and contingency plans and equipped our staff with adequate equipment for protection and emergency use. Moreover, the Group conducts inspections using relevant equipment on a regular basis to ensure the effectiveness and availability. Coupled with training programs and drills for various protection contingency plans, the Group strives to ensure safety and health of its employees to the maximum extent.

善和管理；另一方面，在日常工作中及重大節日來臨前，華潤鳳凰通過內外部公文、郵件、微信、視屏等形式，向員工發出健康安全類的相關通知及警示，增強員工安全意識，同時將健康安全相關指標納入員工績效考核，以確保各項措施的到位執行。2016年，本集團未發生任何安全事故。

本集團按照《中華人民共和國職業病防治法》、《中華人民共和國傳染病防治法》、《中華人民共和國放射性污染防治法》和衛計委發布的《醫院感染管理辦法》、《醫院隔離技術規範》要求等，在各醫院根據員工工作場所的風險程度制定了《員工健康體檢計劃》及《員工免疫計劃》。每年對全院員工進行健康體檢，關注體檢異常者並給予治療建議。同時根據風險場所特點制定了《員工個人防護規程》及預案，並配置充足的防護及應急處理設備，定期對防護及應急處理設備進行檢查，確保其有效性和可用性，並結合各種防護預案進行培訓與演練，最大限度保證員工安全健康。

B3. Development and Training

The human resources department of CR Phoenix provides development and training program with employees which include pre-employment and management trainings. The Group is committed to develop a sound career development mechanism by providing internal and external employees with a broad range of development opportunities, which helps to attract and retain talents and enhance their personal expertise. In particular, the Company sets up a Youth Working Committee, providing professional young talents with training programs and promotion channel. The Clinical Working Committee of the Company (“Clinical Working Committee”), human resources department and the subsidiaries of the Group worked together to organize a series of practical trainings, aiming to improve professional skills of the employees.

- Each of the subsidiaries collaborates with the Clinical Working Committee to introduce external expert information, which helps to develop training programs at corporate level. During the year of 2016, the Group organized more than 100 clinical and pharmaceutical academic events, with approximately 3,600 trainees.

Regarding the collection of statistics of clinical training, a database was set up, containing information such as the types, names, scopes of training programs, participants’ names, related companies and telephone numbers etc. The Company allocated the quality training resources reasonably to various laboratories of each hospitals according to the survey conducted on the key departments of each hospitals.

Examples of training include: (1) training programs of new clinical technologies and innovative businesses. Yang Haifeng, head of Jian Gong Hospital, attended “the

B3. 發展與培訓

華潤鳳凰委託人力資源部負責發展與培訓工作，包括崗前培訓與管理培訓，並逐步建立健全內外員工職業發展機制，努力為員工創造更加廣闊的發展空間，幫助員工提升個人專業能力，吸引人才、留住人才。特別是本公司專門成立了青年工作委員會，為青年人才提供專業化的培訓和晉級通道。本公司臨床工作委員會（以下簡稱「臨床工委」）、人力資源部、集團子公司等通力合作組織了一系列實用的培訓，提升員工的專業技術能力。

- 各子公司與臨床工委配合，引入公司外專家信息，共同開展公司層面的培訓工作。2016年共組織各類臨床及藥學學術活動超過100場，培訓約3,600人次。

在臨床培訓的資料統計方面，建立了培訓的資料庫，資料內容包括，培訓的類型、培訓名稱、培訓的範圍、參會人員的姓名、單位、電話等信息，根據對各家醫院重點發展科室的調查，有的放矢的將優質的培訓資源分享給各醫院的科室。

培訓實例：①臨床新技術、新業務類培訓，健宮醫院楊海峰主任參加的「第二屆中國顯微頸動脈內膜切除手

Environmental, Social and Governance Report 環境、社會及管治報告

Second Seminar on Microsurgical Carotid Endarterectomy for Carotid Stenosis in China” (第二屆中國顯微頸動脈內膜切除手術講習班) and learned the new technology of Microsurgical Carotid Endarterectomy for Carotid Stenosis. (2) Fan Yufei, head of oncology of Yan Hua Hospital, attended the “Training Class on Standardized Treatment of Tumor Ablation” (腫瘤消融規範化治療培訓班) and was granted the certificate of Standardized Treatment of Tumor Ablation by Chinese Medical Association. (3) Specialized training programs for the nursing departments of each hospital. We established standard operating procedure (SOP) standards for blood sampling, and enhanced concept of standardized nursing practices in order to improve the nursing care standards of hospitals.

- The Clinical Committee has established professional clinical committees covering 13 disciplines to develop lateral communication across disciplines, giving effect to the sharing of academic resources among the relevant disciplines among hospitals. Through specific training and case sharing conducted by various professional committees, the synergy among various disciplines was gradually demonstrated. In 2016, the Company organized 55 academic workshops with approximately 1,600 beneficial attendees, of which Emergency Ultrasonography Workshop, Digestive Endoscopy Workshop, Respiration Workshop and Chronic Endocrine Diseases Workshop have become a series of training programs. The Professional Clinical Committees have achieved better effect regarding professional development and vocational training of clinical staff in the Group's hospitals.
- The Clinical Committee and the information department of the Company jointly launched a WeChat subscription account named “Phoenix Healthcare College PHC” (鳳凰醫學苑PHC), which integrates the training

術講習班」，學到的新技術為：顯微頸動脈內膜切除術。②燕化醫院腫瘤科范宇飛主任參加的「腫瘤消融規範化治療培訓班」由中華醫學會頒發腫瘤消融規範化治療培訓合格證書。③為各醫院護理部進行專場培訓，建立採血的SOP標準。我們建立護理規範化操作的理念，從而推動各醫院護理水準的提升。

- 公司臨床工委成立了13個學科的臨床專業委員會，建立各學科橫向交流，在各醫院相關學科的區域學術資源分享方面發揮作用，各專業委員會通過開展針對性的培訓和病例分享，區域協同效應逐步顯現。2016年共組織學術活動55場，受益約1,600人次。其中急診超聲工作坊、消化內鏡巡迴操作培訓、呼吸專業沙龍、內分泌慢病沙龍已經成為系列培訓活動。臨床專業委員會在公司成員醫院各學科臨床員工的專業培養和職業培訓方面取得了較好的效果。
- 臨床工委與本公司信息部共同開發「鳳凰醫學苑PHC」公眾號，整合全公司培訓資源，對培訓進行全過程和全流程的線上管理。整合本公

resources of the Company and conduct online management over each and every procedure of the training programs. The official account integrates online and offline training resources within the Company and provides multi-dimensional assessments on the effectiveness of training. Meanwhile, the Company will gradually offer individual training programs for its employees so as to develop and enhance individual occupational skills and abilities. Since its introduction in January, 2016, the WeChat subscription account has carried out 326 training sessions, published 348 training materials, with 556 registered lecturers and 4,259 registered trainees. In addition, 86 training demands were collected, in which several specialized training programs were held in order to address specific demands.

- In respect of hospitals, the Company strictly carries out relevant system of standardized training for resident physicians and encourages qualified staff to participate in these trainings. The Company insists on providing on-going education for doctors and nurses and ensure that each of them will complete 25 credits per year. Monthly professional trainings are provided for clinical laboratories. Specialized training programs in JCI are also organized. Employees are encouraged to participate in

司內的線上線下培訓資源，提供多維度的培訓效果評估，並逐步為本公司員工提供個性化的培訓計劃，實現個人職業能力的培養和提升。自2016年1月上線以來，已承載培訓326場，培訓資料348份，註冊培訓講師556人，註冊學員4,259人。另外，收集培訓需求86項，並針對比較集中的培訓需求，舉行專場培訓。

- 醫院層面嚴格執行住院醫師規範化培訓相關制度，鼓勵符合條件的員工參加規範化培訓；堅持醫生和護士的繼續教育工作，保證每人每年修滿25學分；臨床科室每月進行專業培訓；組織針對JCI的培訓工作；鼓勵和支持員工參加公司內外培訓和



the internal and external training programs and academic exchange organized by the Company. Pre-employment trainings are provided for each staff while special training programs are designed for special positions so as to ensure employment with certification.

學術交流；為每位員工提供崗前培訓，對於特殊崗位，提供特殊的培訓內容，保證持證上崗。

B4. Labor Standards

In accordance with the requirements under “Labor Law of the People’s Republic of China” (《中華人民共和國勞動法》), “Law of the People’s Republic of China on the Protection of Minors” (《中華人民共和國未成年人保護法》) and “Provisions on the Prohibition of Using Child Labor” (《禁止使用童工規定》), the Group expressly prohibits the employment of child labor and forced labor in its employment policies. All employees of the Group have entered into the labor contracts with the Company in compliance with the Labor Law of the People’s Republic of China, entitling to the leave provided by the national regulations. The Company is gradually establishing and improving the mechanism of occupational development for internal and external staff, striving to provide further room for staff development and help them improve their professional skills and management skills so as to attract and retain talents. In addition, the Company has held and organized a series of practical training programs, in particular for the development of young staff. The Company especially established the Youth Working Committee to attract young elites to join and provide them with professional trainings and promotion paths. Coupled with the training, the Youth Working Committee acts as a platform for trainings

B4. 勞工準則

本集團按照《中華人民共和國勞動法》、《中華人民共和國未成年人保護法》及《禁止使用童工規定》等要求，在公司僱傭政策中明確禁止僱傭童工和強制勞工。華潤鳳凰集團內員工100%與公司簽訂符合勞動法的勞動合同，員工享有符合國家規定的休假。華潤鳳凰逐步建立並健全內外部員工職業發展機制，努力為員工創造更加廣闊的發展空間，幫助員工提升個人專業能力與管理能力，吸引人才、留住人才。同時舉辦並組織了一系列實用的培訓，特別是對於青年員工的培養，本公司專門成立了青年工作委員會，吸引青年骨幹加入，並為其提供專業化的培訓和晉級通道，結合培訓創建了歷練實踐的



and promotions, encouraging the young staff to experience each position so as to enhance their sense of belonging and recognition of the Company, thereby motivating them to realize their potential and achieve self-development.

The Youth Working Committee is an organization established by the Group for young staff, serving as a school for nurturing their growth, the communication link and hub between senior management and youngsters, the host of Phoenix culture, one of the key pillars of the robust growth of the Group's business and the talent bank for all levels of the Group's management team. In 2016, the Youth Working Committee organized a number of outdoor activities for the young staff to strengthen their team spirit.

Pursuing an open and communication-oriented corporate culture, the Company encourages its staff at all levels to express their views and recommendations by ways of meetings, phone conversations, mails, WeChat and etc.

平臺，鼓勵青年員工深入一線，體驗各個崗位的工作與生活，提升其對本公司的歸屬感與認同感，激發其潛力，促進了自我成長。

青委會是本集團設立的青年人組織，是培養青年人成長的學校，是高管與青年溝通的橋樑和紐帶，是鳳凰文化承接的載體，是鳳凰事業騰飛的重要支柱之一，也是鳳凰各級管理團隊的後備軍。青委會於2016年多次組織青年人參加戶外活動增強團隊凝聚力。

本公司主張開放的員工溝通文化，我們鼓勵各級員工透過不同渠道和方式表達他們的觀點及建議，包括面談、電話、郵件、微信等方式。

B5. Supply chain management

Business overview

The Group centralizes the procurement functions of all the Group's hospitals and clinics, and coordinates and manages the procurement and logistics of pharmaceuticals, medical devices, medical consumables and equipment at the Group level. Under the terms of the IOT agreements, we are entitled to manage the relevant hospitals. As a result, we are able to control, consolidate and manage the procurement of these hospitals and clinics, including arranging these hospitals and clinics to procure pharmaceuticals, medical devices and medical consumables from our GPO business. Our procurement services also include arranging for the Group's hospitals and clinics to purchase products directly from suppliers chosen by us.

B5. 供應鏈管理

業務概覽

本集團整合所有醫院及診所網絡的採購功能，在集團層面協調和管理藥品、醫療器械、醫用耗材及設備的採購與物流。根據IOT協定條款，本集團有權管理相關醫院。因此，我們能夠控制、整合及管理該等醫院和診所的採購，包括促使該等醫院和診所向我們的供應鏈業務採購藥品、醫療器械及醫用耗材。我們的採購服務還包括安排醫院及診所網絡直接向我們安排的供應商購買產品。

Standardized procurement procedures

The Group adopts a standardized procurement procedure for all the Group's hospitals at the Group level. Each of the Group's hospitals consolidates and regularly reports its pharmaceuticals, medical devices and medical consumables and equipment needs to our centralized procurement management team. The hospital makes its own independent judgment as to what types of pharmaceuticals, medical devices and medical consumables, or equipment to procure. After reviewing the requests, the hospital procurement manager submits the request to our procurement management team. The procurement management team consolidates the relevant information from each hospital and develops a master procurement list for all the Group's hospitals. Consolidating the procurement requests of all the Group's hospitals and clinics makes the procurement process more efficient, cost-effective and simple. The standardized procurement procedures are also easier to be implemented compared to the ad hoc procurement practices employed by each of the Group's hospitals before we started managing them. We have particularly established a centralized procurement management department at the Group level, whereas professional procurement staff will manage each stage of the procurement process, including contracting, purchasing, distribution and inventory management.

標準化採購程序

本集團對所有醫院網絡及在整個集團層面採用標準採購流程。各醫院網絡整合及定期向我們的集中採購管理團隊彙報其藥品、醫療器械及醫用耗材和設備需求情況。醫院可自行決定採購何種類型的藥品、醫療器械及醫用耗材或設備。審查相關申請後，醫院採購經理會向我們的採購管理團隊提交申請。我們的採購管理團隊整合來自各醫院的相關信息，為所有醫院網絡制定一份總採購清單。整合醫院及診所網絡的採購申請將使採購流程更高效、更具成本效益及更簡單。與各醫院網絡在接受我們的管理之前採用的特別採購方式相比，標準化採購程序更易於執行。我們已專門成立了集團層面的集中採購管理部門，由專業採購人員和專業人士管理採購流程的各個階段，包括締結合同、採購、配送和庫存管理。

Group specific purchases

In respect of purchases, for specific purchases, we either purchase pharmaceuticals, medical devices and medical consumables on the behalf and resell the same to the Group's hospitals, or have the Group's hospitals purchase directly from suppliers arranged by us. Generally, if we are not licensed to sell certain products (such as toxic pharmaceuticals, anesthetics, psychotropic drugs and radiopharmaceuticals), we generally arrange for the Group's hospitals and clinics to purchase such products directly from the suppliers. Our ability to negotiate volume discounts with suppliers is usually effective when we negotiate for the purchase of high-value items, such as medical equipment. We normally arrange for the Group's hospitals to purchase medical equipment directly from suppliers after we have negotiated volume discounts for them.

Purchase price control

In respect of the pricing of pharmaceuticals, medical devices and medical consumables, the PRC government issued pricing policy of pharmaceuticals, medical devices and medical consumables. Most pharmaceuticals, medical devices and medical consumables sold in China, primarily those included in the National Drug Catalog for the Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance ("Reimbursed Drug List", or "RDL") and other catalogs promulgated by the governmental authorities, are subject to price controls mainly in the form of "retail price ceiling", being the price ceilings on pharmaceuticals, medical devices and medical consumables sold to patients, and in the form of "bidding price", being the price ceilings on pharmaceuticals, medical devices and medical consumables sold to hospitals. The retail prices of most pharmaceuticals sold by medical institutions to patients must adhere to a fixed 15% profit margin ceiling set by the PRC government. As a result, the retail price shall not exceed 115% of the "bidding price" for most pharmaceuticals. At present, local governments gradually cancelled the 15% mark-up retail policy.

集團特定採購

本集團採購方面，對於特定採購，我們或者自行採購藥品、醫療器械及醫用耗材然後轉售給醫院網絡，或者讓醫院網絡直接向我們安排的供應商採購。一般而言，如果我們沒有銷售特定產品（例如，有毒藥物、麻醉藥、精神藥物以及放射藥劑）的許可，我們一般安排醫院及診所網絡直接向供應商採購該等產品。當我們就採購高價值產品（例如，醫療設備）與供應商協商時，我們通常能夠議定很好的大額購買折扣。我們一般在議定大額購買折扣後，安排醫院網絡直接向供應商購買相關醫療設備。

採購價格控制

藥品、醫療器械及醫用耗材定價方面，中國政府公佈了藥品、醫療器械及醫用耗材的定價政策。在中國出售的大多數藥品、醫療器械及醫用耗材，主要是國家基本醫療保險、工傷保險和生育保險藥品目錄（「醫保藥品目錄」）及政府主管部門頒佈的其他目錄中規定的藥品、醫療器械及醫用耗材，主要受限於兩種形式的價格控制：「最高零售限價」，即對出售給病人的藥品或醫療器械及醫用耗材執行的最高限價；「招標價」，即對出售給醫院的藥品或醫療器械及醫用耗材執行的最高限價。醫療機構向病人銷售的大部分藥品的零售價必須遵循中國政府設定的15%的利潤上限。因此，對於大部分藥品，零售價不能超過「招標價」的115%。目前，各地方政府正在逐步取消15%藥品加成出售的相關政策。

B6. Major suppliers

Selection of suppliers

The Group procures pharmaceuticals, medical devices and medical consumables that will be used by the in-network medical institutions. The Group's pharmaceuticals, medical devices and medical consumables are sourced from China, and our medical equipment is primarily sourced from Germany, the United States, Japan, the Netherlands and other foreign countries through their distributors in China. The Group selects pharmaceuticals, medical devices and medical consumables suppliers based on their pricing, reputation, service quality and medical product offering. The Group maintains a list of suppliers, reviews and assesses their performance for the past year at the beginning of each year. The Group checks the qualifications of its suppliers to ensure their legality and quality, as well as updates the supplier list accordingly. As of December 31, 2016, the five largest suppliers were Hong Hui, Sinopharm Group Beijing Kangchen Bio-medicine Co., Ltd, Sinopharm Group Beijing Huahong Co., Ltd, Beijing Dongnan Yueda Medical Equipment Co., Ltd. and Beijing Jin Chong Guang Pharmaceutical Co., Ltd.

B7. Existing Risks and Risk Management

As a significant portion of revenue of the Group is derived from the supply chain business, if the PRC government exercises further price control on pharmaceuticals, medical devices and medical consumables, the profitability of the Group's supply chain business might be reduced.

If the "bidding prices" of pharmaceuticals, medical devices and medical consumables are further reduced, the room for bargaining between the Group and suppliers will be reduced, which will affect the probability of obtaining higher gross profit. In addition, due to the reduction of sales price, the revenue generated by the Group might still be decreased despite same or higher amount of the identical pharmaceutical sold. The financial position and operating result of the Group might be adversely affected accordingly.

B6. 主要供應商

供應商的選擇

本集團為集團醫院及診所網絡採購使用的藥品、醫療器械及醫用耗材。本集團的藥品、醫療器械及醫用耗材來自中國，而醫療設備主要透過德國、美國、日本、荷蘭及其他國家廠家在中國的分銷商獲得。本集團基於定價、聲譽、服務質素及醫療產品供應選擇藥品、醫療器械及醫用耗材供應商。本集團持有一份供應商列表，每年年初本集團會審核並評估這些供應商過去一年的表現；檢查供應商的資格，從而確保供應物品的合法性及質素，並相應更新供應商列表。於2016年12月31日，本集團五大供應商為紅惠、國藥控股北京康辰生物醫藥有限公司、國藥控股北京華鴻有限公司、北京東南悅達醫療器械有限公司、北京金崇光藥業有限公司。

B7. 存在風險及風險管控

本集團很大一部分收益透過供應鏈業務獲得，若中國政府對藥品、醫療器械及醫用耗材實施額外的價格控制，則本集團供應鏈業務的盈利能力可能降低。

若藥品、醫療器械及醫用耗材的「招標價」進一步降低，本集團與供應商議價的空間會縮小，難以獲得更高的毛利，且由於銷售價格降低，即使本集團銷售同等或更多數量的相同藥品，產生的收益也可能較少。本集團財務狀況及經營業績可能會因此受到重大不利影響。

B8. Product Liability

In accordance with the Regulations on the Urgent Handling of Public Health Emergencies (突發公共衛生事件應急條例), Regulations on the Handling of Medical Incidents (醫療事故處理條例) and Plan for Handling Public Health Emergencies in the PRC (國家突發公共衛生事件應急預案), the Group has formulated the Contingency Plan for Public Health Emergencies (突發公共衛生事件應急預案) and Contingency Plan for Information System Emergencies (信息化故障應急預案) on the hospital basis. The system emphasizes the management of public health emergencies and information system breakdown so as to provide definite solution plans for various situations, such as medical rescue and treatment, logistic support, media and public relations and information system breakdown. Meanwhile, through the Safety Management Plan on Emergencies (緊急事件安全管理計劃), the above plans are ensured to be implemented effectively. In particular, integrating with the Standards of Assessment on Hospitals (醫院評審標準) issued by NHFPC and the JCI Management Standards introduced by the U.S.A., the Group conducts a Hazard Vulnerability Assessment (HVA) on all possible emergencies to be occurred in hospitals, prioritizes cases ranked with high risks and organizes emergency drills and training programs so as to formulate an optimized solution based on the results. In addition, the Group has established a risk management system which focuses on the risk management on issues relating to medical quality and patient safety and imposed definite prospective management plan in relation to the prevention and control on medical incidents. Besides, Administrative Measures on Content Release of Official Website and its Update and Maintenance (官網內容發布與更新維護管理辦法) is developed, which focuses on the management of information release by hospitals through their respective websites, thereby imposing a definite requirement on collection, updating and censorship of information release.

B8. 產品責任

按照《突發公共衛生事件應急條例》、《醫療事故處理條例》、《國家突發公共衛生事件應急預案》等要求，本集團在醫院層面制定了《突發公共衛生事件應急預案》《信息化故障應急預案》，該制度側重於突發公共衛生事件和醫院信息化故障的應急管理，就事件的醫療救治、後勤保障及媒體公關、信息化故障應急對應等方面提出了明確的方案。同時，通過《緊急事件安全管理計劃》，保證上述制度的有效實施。同時，結合衛計委發佈的《醫院評審標準》，並引入美國JCI管理標準，本集團在醫院層面對所有可能發生的突發事件進行災害脆弱性分析(HVA)，優先關注風險排序前位者，組織演習和培訓，並根據結果制定優化方案。另外，制定了《風險管理制度》，該制度側重於醫療品質與患者安全相關的風險管理，就醫療事故的預防和管控提出了明確的前瞻性管理方案。還制定了《官網內容發布與更新維護管理辦法》，該制度側重於醫院通過網站發佈信息的管理，就發佈內容的收集、更新及審核等內容提出了明確的要求。

B9. Anti-corruption

According to the relevant requirements of Law of the People's Republic of China on Medical Practitioner (中華人民共和國執業醫師法), Law of the People's Republic of China Against Unfair Competition (中華人民共和國反不正當競爭法) and the Provisions on the Establishment of Commercial Bribery Records in the Purchase and Sale of Medicines (關於建立醫藥購銷領域商業賄賂不良記錄的規定), the Group has developed a series of policies, such as the Opinion regarding the Implementation of "One Harmony and Three Common Goals" Campaign (關於開展"一和三同"活動的實施意見), Working Rules on Medical Ethics and Practices (醫德醫風工作條例), the Opinion regarding the Implementation of Pilot Work on Anti-corruption Risk Management (廉政風險防範管理試點工作實施意見) and Regulations of Consolidating the Implementation of "Nine Prohibitions" for Proper Medical and Healthcare Industry Practices (關於加強執行醫療衛生行風建設"九不准"的規定), covering the various requirements on medical ethics, integrity and proper medical practices, punishment and prevention of corruption, bribery, extortion and fraud. Coupled with performance appraisal, the above policies are ensured to be implemented effectively with a solid control on the bribery and corruption in various levels of hospitals. Eventually, the relevant policies of PRC and the industry can be well accommodated in the daily operation of the Company.

B10. Investment as Contribution to the Community

Regarding our community services for patients, general dissemination of health knowledge and medical consultation for community patient, the Company has formulated a reform plan on the community medical and healthcare services institutions and their services. Through improving the service procedures of the community medical service institutions, upgrading the staff skills, hardware and facilities, as well as using the "Internet+" approach, incorporating with guidance from positive performance policies, the scheme can be executed effectively.

B9. 反貪污

本集團按照《中華人民共和國執業醫師法》、《中華人民共和國反不正當競爭法》、《關於建立醫藥購銷領域商業賄賂不良記錄的規定》相關要求，制定了《關於開展「一和三同」活動的實施意見》、《醫德醫風工作條例》、《廉政風險防範管理試點工作實施意見》、《關於加強執行醫療衛生行風建設「九不准」的規定》等政策，包括醫德醫風、廉潔行醫、懲治和預防腐敗、賄賂、勒索和欺詐等方面的要求，並通過與績效考核相結合，保障上述政策得以有效執行，主要就反貪污賄賂方面對醫院層面進行了具體的管控，最終將國家及行業的相關政策要求落實進本公司日常運營。

B10. 社區投資

本公司就自身在服務社區患者、普及健康知識和解決社區患者看病難的問題等方面，制定了社區醫療衛生服務機構環境和服務改造計劃，通過對社區衛生服務機構的服務流程改進、人員技能升級、硬體設施翻新、「互聯網+」手段的運用和積極的績效政策引導，保障上述計劃得到有效執行。

In June 2016, a subsidiary of the Group Beijing Phoenix Kuaijie General Clinic Management Co. Ltd.*(北京鳳凰快捷全科診所管理有限公司) (hereinafter referred as “UCC Company”) was established, which aims to develop into the largest clinical chain management group in the country, UCC Company is committed to creating an innovative health service institution to satisfy the needs of patients from the grassroots community, as well as strives to practice the national policy of multi-level diagnostic and treatment. By providing excellent service and outstanding diagnosis, UCC Company expects to attract the grassroots patients in order to seek medical consultations from preliminary healthcare services. This then enhances the accessibility of group medical practices by community patients.

UCC Company emphasizes on the management of patient service, and imposes definite requirements to enhance the patient experience. As for the operation, the Company exercises stringent control on the service procedures and practices in preliminary healthcare services institutions, aiming to overcome the difficulties faced by patients in seeking medical consultations which helps to push forward the implementation of the preliminary diagnosis and treatment.

2016年6月，本集團下屬北京鳳凰快捷全科診所管理有限公司（下稱UCC公司）成立。UCC公司以成為全國最大的診所連鎖管理集團作為發展目標，致力於打造滿足基層社區患者需求的新型衛生服務機構，大力踐行國家關於分級診療的政策，以優良的服務技能和出色的就診吸引患者在基層就診，增強所在社區患者群體醫療的可及性。

UCC公司的計劃側重與患者服務方面的管理，就增強患者就醫體驗提出了明確的要求。在運營中，本公司對於基層醫療服務機構內服務流程和行為進行了嚴格的管控，將解決患者看病難，推進基層診斷及治理的工作落到實處。



Independent Auditor's Report 獨立核數師報告

Deloitte.

德勤

TO THE MEMBERS OF
CHINA RESOURCES PHOENIX HEALTHCARE HOLDINGS
COMPANY LIMITED

(formerly known as Phoenix Healthcare Group Co. Ltd)
(incorporated in the Cayman Islands with limited liability)

致華潤鳳凰醫療控股有限公司股東
(前稱鳳凰醫療集團有限公司)
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of China Resources Phoenix Healthcare Holdings Company Limited (formerly known as Phoenix Healthcare Group Co. Ltd) (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 151 to 295, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the Hong Kong Institute of Certified Public Accountants ("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.

意見

吾等已審核載於第151至295頁之華潤鳳凰醫療控股有限公司(前稱鳳凰醫療集團有限公司)(「貴公司」)及其附屬公司(以下統稱「貴集團」)之綜合財務報表,當中載有於2016年12月31日之綜合財務狀況報表,與截至該日止年度之綜合損益及其他全面收入報表、綜合權益變動報表及綜合現金流量報表以及綜合財務報表附註(包含主要會計政策概要)。

吾等認為,綜合財務報表已根據國際財務報告準則(「國際財務報告準則」)真實公允地反映貴集團於2016年12月31日之綜合財務狀況及貴集團截至該日止年度之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。

意見之基準

吾等已根據香港會計師公會(「香港會計師公會」)頒佈之香港審計準則(「香港審計準則」)進行審核。吾等在該等準則下之責任已於本報告核數師就審核綜合財務報表承擔之責任一節中作進一步闡述。根據香港會計師公會頒佈之《職業會計師道德守則》(「守則」),吾等獨立於貴集團,並已履行守則中的其他專業道德責任。吾等相信,吾等所獲得之審核憑證能充足及適當地為吾等之意見提供基準。

KEY AUDIT MATTERS

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

關鍵審核事項

關鍵審核事項是根據吾等之專業判斷，認為對本期綜合財務報表之審核最為重要之事項。該等事項在吾等審核整體綜合財務報表及出具意見時作出處理，吾等不會對該等事項提供單獨之意見。

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
<p>Determination of fair value of intangible assets acquired in the acquisition of subsidiaries 釐定透過收購附屬公司獲得之無形資產之公允價值</p> <p>We identified the determination of fair value of intangible assets acquired in the acquisition of subsidiaries as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in determining the fair value of the intangible assets.</p> <p>吾等將釐定透過收購附屬公司獲得之無形資產之公允價值識別為關鍵審核事項，原因為其對綜合財務報表而言具有重大意義，且釐定無形資產公允價值涉及重大管理層估計。</p> <p>As disclosed in Note 18 and 34 to the consolidated financial statements, the fair value of the intangible assets acquired in the acquisition of subsidiaries is RMB1,728,026,000.</p> <p>誠如綜合財務報表附註18及34所披露，透過收購附屬公司獲得之無形資產之公允價值為人民幣1,728,026,000元。</p> <p>Details of significant judgments and assumptions in estimating the fair value of intangible assets are disclosed in Note 4 to the consolidated financial statements.</p> <p>估計無形資產公允價值採用之重大判斷及假設詳情披露於綜合財務報表附註4。</p>	<p>Our procedures in relation to the determination of fair value of intangible assets acquired in the acquisition of subsidiaries included:</p> <p>吾等就釐定透過收購附屬公司獲得之無形資產之公允價值所執执行程序包括：</p> <ul style="list-style-type: none"> Evaluating the external valuers' competence, objectivity and qualifications; 評價外部估值師之勝任能力、客觀性及資歷； Evaluating the appropriateness of the valuation methodology and assumption of discount rate, with the assistance of our internal valuation specialists; and 在內部估值專家之協助下，評價估值方法及貼現率的假設之恰當性；及 Evaluating the appropriateness of other key assumptions and inputs, including financial forecast, by comparing to historical performance and industry data. 透過比較過往表現及行業數據，評價其他主要假設及輸入值之恰當性，包括財務預測。

Independent Auditor's Report

獨立核數師報告

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

As disclosed in Note 34 to the consolidated financial statements, the fair value of the intangible assets acquired is estimated on a provisional basis. Valuation report was prepared by external valuer to assist management's estimates in relation to the fair value of the intangible assets at the acquisition date.

誠如綜合財務報表附註34所披露，所收購無形資產的公允價值按暫定基準估計。估值報告乃由外部估值師編製，以協助管理層對無形資產於收購日期的公允價值進行估計。

Impairment assessment of goodwill and intangible assets with indefinite useful lives 商譽及具無限可使用年期之無形資產之減值評估

We identified impairment assessment of goodwill and intangible assets with indefinite useful lives as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in assessing the impairment of goodwill and intangible assets with indefinite useful lives.

吾等將商譽及具無限可使用年期之無形資產之減值評估識別為關鍵審核事項，原因為其對綜合財務報表而言具有重大意義，且商譽及具無限可使用年期之無形資產之減值評估涉及重大管理層估計。

Details of significant judgments and assumptions in the impairment assessment are disclosed in Notes 4 and 21 to the consolidated financial statements.

減值評估之重大判斷及假設詳情披露於綜合財務報表附註4及21。

Our procedures in relation to impairment assessment of goodwill and intangible assets with indefinite useful lives included:

吾等就商譽及具無限可使用年期之無形資產之減值評估所執行程序包括：

- Evaluating the appropriateness of the valuation methodology and assumption of discount rate used in estimating the recoverable amount, with the assistance of our internal valuation specialists; and
- 在內部估值專家之協助下，評價估值方法及就估計可收回金額所採用之貼現率的假設之恰當性；及
- Evaluating the appropriateness of other key assumptions and inputs, including financial forecast, by comparing to historical performance and industry data.
- 透過比較過往表現及行業數據，評價其他主要假設及輸入值之恰當性，包括財務預測。

OTHER INFORMATION

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

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

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

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

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

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

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

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內之信息，但不包括綜合財務報表及吾等之核數師報告。

吾等對綜合財務報表之意見並不涵蓋其他信息，吾等亦不對該等其他信息發表任何形式之鑒證結論。

結合吾等對綜合財務報表之審核，吾等之責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或吾等在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於吾等已執行之工作，如果吾等認為其他信息存在重大錯誤陳述，吾等需要報告該事實。吾等就此無任何報告。

董事及管理層就綜合財務報表須承擔之責任

貴公司董事須負責根據國際財務報告準則及香港公司條例之披露規定編製真實而公允之綜合財務報表，並對其認為為使綜合財務報表之編製不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

管理層須負責監督貴集團之財務報告過程。

Independent Auditor's Report 獨立核數師報告

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

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

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

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

核數師就審核綜合財務報表 承擔之責任

吾等之目標是對綜合財務報表整體是否存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括吾等意見之核數師報告。吾等僅根據協定之聘用條款向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平之保證，但不能保證按照香港審計準則進行之審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

在根據香港審計準則進行審核之過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別及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之風險，設計及執行審核程序以應對該等風險，以及獲取充足和適當之審核憑證，作為吾等意見之基礎。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之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審核相關之內部控制，以設計適當之審核程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評價董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審核憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。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注意綜合財務報表中之相關披露。假若有關之披露不足，則吾等應修改意見。吾等之結論是基於核數師報告日止所取得之審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表之整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公允反映相關交易及事項。
- 就貴集團內實體或業務活動之財務信息獲取充足、適當之審核憑證，以便對綜合財務報表發表意見。吾等負責貴集團審核之方向、監督和執行。吾等為審核意見承擔全部責任。

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

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

吾等與管理層溝通了（其中包括）計劃之審核範圍、時間安排、重大審核發現等，包括吾等在審核中識別出內部控制之任何重大缺陷。

吾等亦向管理層提交聲明，說明吾等已符合有關獨立性之相關專業道德要求，並與他們溝通有可能合理地被認為會影響吾等獨立性之所有關係和其他事項，以及在適用之情況下，相關之防範措施。

Independent Auditor's Report 獨立核數師報告

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 Mak Chi Lung.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong

24 March 2017

從與管理層溝通之事項中，吾等確定哪些事項對本期綜合財務報表之審核最為重要，因而構成關鍵審核事項。吾等在核數師報告中描述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見之情況下，如果合理預期在吾等報告中溝通某事項造成之負面後果超過產生之公眾利益，吾等決定不應在報告中溝通該事項。

出具獨立核數師報告之審核項目合夥人是麥志龍。

德勤•關黃陳方會計師行
執業會計師

香港

2017年3月24日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

For the year ended
31 December

截至12月31日止年度

			2016	2015
			2016年	2015年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Revenue	收益	5	1,532,831	1,372,267
Cost of sales and services	銷售及服務成本		(1,126,198)	(1,042,686)
Gross profit	毛利		406,633	329,581
Other income	其他收入	8	93,184	99,090
Other gains and losses	其他收益及虧損	9	(1,728,693)	1,394
Selling and distribution expenses	銷售及分銷費用		(24,128)	(10,605)
Administrative expenses	行政費用		(147,934)	(139,316)
Finance costs	財務費用	10	(342)	(27,375)
Other expenses	其他費用	11	(35,625)	(3,000)
Share of (loss) profit of an associate	應佔一間聯營公司(虧損) 利潤		(241)	1,008
Share of loss of joint ventures	應佔合營公司虧損		(15,335)	(2,809)
(Loss) profit before tax	稅前(虧損)利潤		(1,452,481)	247,968
Income tax expense	所得稅開支	12	(47,331)	(75,554)
(Loss) profit for the year	年度(虧損)利潤	13	(1,499,812)	172,414
Other comprehensive income (expense) for the year	年度其他全面收入(開支)			
<i>Items that may not be reclassified subsequently to profit or loss:</i>	<i>可能於其後不被重新分類至損益之項目:</i>			
Remeasurement of defined benefit pension plans (Note 32)	定額福利退休金計劃之重新計量(附註32)		(20,332)	-
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可能於其後被重新分類至損益之項目:</i>			
Share of exchange differences of an associate and a joint venture	應佔一間聯營公司及一間合營公司之匯兌差額		10,220	6,759

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年	2015 2015年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Notes 附註		
Total comprehensive (expense) income for the year	年度全面(開支)收入總額	(1,509,924)	179,173
(Loss) profit for the year attributable to:	應佔年度(虧損)利潤:		
Equity holders of the Company	本公司權益持有人	(1,506,964)	167,045
Non-controlling interests	非控股權益	7,152	5,369
		(1,499,812)	172,414
Total comprehensive (expense) income attributable to:	應佔全面(開支)收入總額:		
Equity holders of the Company	本公司權益持有人	(1,513,010)	173,804
Non-controlling interests	非控股權益	3,086	5,369
		(1,509,924)	179,173
(Loss) earnings per share	每股(虧損)盈利		
- basic (RMB yuan per share)	- 基本(每股人民幣元)	15	(1.67)
- diluted (RMB yuan per share)	- 攤薄(每股人民幣元)	15	(1.67)

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016 於2016年12月31日

		2016		2015
		2016年		2015年
		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	17	264,292	145,223
Intangible assets	無形資產	18	2,132,362	404,569
Receivables from invest-operate-transfer (“IOT”) hospitals	來自投資－營運 －移交（「IOT」）醫院 之應收款項	19	113,004	103,059
Lease prepayments for land use right	土地使用權租賃預付款	20	143,720	147,095
Goodwill	商譽	21	1,463,611	–
Interest in an associate	於一間聯營公司之權益	22	163,338	154,995
Interests in joint ventures	於合營公司之權益	23	513,648	–
Loan to a joint venture	向一間合營公司貸款	23	–	6,361
Deferred tax assets	遞延稅資產	24	–	300
			4,793,975	961,602
Current assets	流動資產			
Inventories	存貨	25	50,241	42,322
Loan to a Sponsored Hospital	向一間舉辦醫院 提供的貸款	7(ii)	47,761	–
Trade receivables	應收貿易款項	26	255,924	137,620
Prepayments and other receivables	預付款項及其他應收款項	27	43,533	42,887
Amounts due from related parties	應收關聯方款項	40	68,228	57,500
Short-term investments	短期投資	28	66,400	74,990
Certificate of deposit	存款證	29	52,806	116,684
Cash and cash equivalents	現金及現金等價物	29	1,069,468	821,864
			1,654,361	1,293,867
Current liabilities	流動負債			
Trade payables	應付貿易款項	30	242,757	209,543
Other payables	其他應付款項	31	120,655	59,567
Amounts due to related parties	應付關聯方款項	40	6,914	–
Payables to hospitals sponsored by the Group (the “Sponsored Hospitals”)	應付本集團舉辦之醫院 （「舉辦醫院」）款項	7(iii)	369,344	–
Tax payables	應繳稅金		12,678	36,880
Dividends payable	應付股息		–	83,823
			752,348	389,813
Net current assets	流動資產淨值		902,013	904,054

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016 於2016年12月31日

			2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
		Notes 附註		
Total assets less current liabilities	總資產減流動負債		5,695,988	1,865,656
Non-current liabilities	非流動負債			
Retirement benefit obligations	退休福利責任	32	19,578	2,924
Deferred tax liability	遞延稅負債	24	318,880	–
			338,458	2,924
Net assets	資產淨值		5,357,530	1,862,732
Capital and reserves	股本及儲備			
Capital	股本	36	267	166
Share premium	股份溢價		6,365,946	1,382,736
Reserves	儲備		(1,127,834)	364,976
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		5,238,379	1,747,878
Non-controlling interests	非控股權益		119,151	114,854
Total equity	總權益		5,357,530	1,862,732

The consolidated financial statements on pages 151 to 295 were approved and authorised for issue by the Board on 24 March 2017 and is signed on their behalf by:

第151至295頁之綜合財務報表於2017年3月24日獲董事會批准及授權刊發，並由下列董事代表簽署：

Wu Potao
吳珀濤
Director
董事

Cheng Libing
成立兵
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動報表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔							Attributable to non-controlling interests 非控股權益	Total 合計			
		Capital 股本	Share premium 股份溢價	Capital reserve 資本公積	Statutory surplus reserve 法定盈餘公積	Treasury share reserve 庫存股份儲備	Share-based payment reserve 股份款儲備	Exchange reserve 匯兌儲備	Benefit liability revaluation reserve 福利責任估值儲備	Retained earnings/ (accumulated losses) 保留盈利/(累計虧損)	Subtotal 小計	Attributable to non-controlling interests 非控股權益	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2015	2015年1月1日結餘	166	1,497,815	(335,027)	26,564	(175,664)	-	-	-	613,278	1,627,112	108,132	1,735,244
Profit and total comprehensive income for the year	年度利潤及全面收入總額	-	-	-	-	-	-	6,759	-	167,045	173,804	5,369	179,173
Purchase of shares under Share Award Scheme (Note i)	根據股份獎勵計劃購買股份 (附註1)	-	-	-	(23,892)	-	-	-	-	-	(23,892)	-	(23,892)
Recognition of equity-settled share based payments (Note 33)	確認按權益結算以股份付款 (附註33)	-	-	-	-	-	38,400	-	-	-	38,400	1,353	39,753
Shares vested under the Share Award Scheme	根據股份獎勵計劃歸屬之股份	-	-	(2,877)	-	58,848	(8,438)	-	-	-	47,533	-	47,533
Dividends recognised as distribution (Note 16)	確認派派之股息 (附註16)	-	(115,079)	-	-	-	-	-	-	-	(115,079)	-	(115,079)
Appropriations	計提	-	-	-	15,618	-	-	-	-	(15,618)	-	-	-
Balance at 31 December 2015	2015年12月31日結餘	166	1,382,736	(337,904)	42,182	(140,728)	29,962	6,759	-	764,705	1,747,878	114,854	1,862,732
Loss and total comprehensive income for the year	年度虧損及全面收入總額	-	-	-	-	-	-	10,220	(16,266)	(1,500,964)	(1,513,010)	3,086	(1,509,924)
Issue of shares for acquisition of business (Note 34)	就收購業務發行股份 (附註34)	101	4,982,499	-	-	-	-	-	-	-	4,982,600	-	4,982,600
Recognition of equity-settled share based payments (Note 33)	確認按權益結算以股份付款 (附註33)	-	-	-	-	-	19,738	-	-	-	19,738	1,211	20,949
Shares vested under the Share Award Scheme	根據股份獎勵計劃歸屬之股份	-	-	3,745	-	26,545	(30,290)	-	-	-	-	-	-
Appropriations	計提	-	-	-	20,366	-	-	-	-	(20,366)	-	-	-
Others	其他	-	711	-	-	462	-	-	-	-	1,173	-	1,173
Balance at 31 December 2016	2016年12月31日結餘	267	6,365,946	(334,159)	62,548	(113,721)	19,410	16,979	(16,266)	(762,625)	5,238,379	119,151	5,357,530

Consolidated Statement of Changes in Equity

綜合權益變動報表

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

Notes:

- (i) In January 2015, the Company paid an amount of HK\$30,218,000 (equivalent to approximately RMB23,892,000) to Computershare Hong Kong Trustees Limited (the "Trustee") to purchase the Company's existing shares of 2,144,000 on the market pursuant to the Share Award Scheme (the "Scheme") made on 7 July 2014 by the board of directors of the Company (the "Board"). Further details are disclosed in Note 33.
- (ii) According to the People's Republic of China (the "PRC") Company Law and the Articles of Association of the Company and its subsidiaries, these companies are required to transfer 10% of their respective after-tax profits, calculated in accordance with the PRC accounting standards and regulations, 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.

附註：

- (i) 於2015年1月，本公司向香港中央證券信託有限公司（「信託」）支付30,218,000港元（相當於約人民幣23,892,000元）的金額，以根據本公司董事會（「董事會」）於2014年7月7日作出之股份獎勵計劃（「計劃」）在市場上購買2,144,000股本公司現有股份。進一步詳情於附註33披露。
- (ii) 根據中華人民共和國（「中國」）公司法及本公司及其附屬公司之章程細則，該等公司須將其各自根據中國會計準則及條例計算之稅後利潤的10%轉撥至法定盈餘公積，直至公積結餘達到註冊資本之50%為止。經有關機關批准，法定盈餘公積可用於抵銷累積虧損或增加該等公司之註冊資本，惟該公積金維持於註冊資本25%之下限。

Consolidated Statement of Cash Flows

綜合現金流量報表

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

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

		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
	Notes 附註		
(Loss) profit before tax	稅前(虧損)利潤	(1,452,481)	247,968
Adjustments for:	調整:		
Share of (loss) profit of an associate	應佔一間聯營公司(虧損)利潤	241	(1,008)
Gain on deemed disposal of an associate	視為出售一間聯營公司收益	-	(5,163)
Share of loss of joint ventures	應佔合營公司虧損	15,335	2,809
Depreciation of property, plant and equipment	物業、廠房及設備折舊	28,495	23,873
Amortisation of lease prepayments for land use right	土地使用權租賃預付款攤銷	3,375	3,375
Amortisation of intangible assets	無形資產攤銷	19,146	17,389
Interest and investment income	利息及投資收入	(35,582)	(44,134)
Finance costs	財務費用	342	27,375
Expense recognised on equity-settled share based payments	就按權益結算以股份付款確認之費用	23,298	41,762
Loss on disposal of property, plant and equipment, net	處置物業、廠房及設備的虧損淨額	565	216
Fair value changes of mutual funds	共同基金公允價值之變動	2,645	156
Foreign exchange (gain) loss	匯兌(收益)損失	(2,016)	3,397
Impairment loss on goodwill	商譽減值虧損	1,727,499	-
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	330,862	318,015
Movements in working capital	營運資金變動		
Increase in inventories	存貨增加	(7,693)	(8,490)
Increase in trade receivables	應收貿易款項增加	(91,895)	(43,885)
Decrease (increase) in prepayments and other receivables	預付款項及其他應收款項減少(增加)	201	(10,248)
(Increase) decrease in amount due from a related party	應收一間關聯方款項(增加)減少	(8,770)	10,338
Increase in trade payables	應付貿易款項增加	32,522	37,669
Increase in other payables	其他應付款項增加	33,470	8,886
Increase in amounts due to related parties	應付關聯方款項增加	6,533	-
Cash generated from operations	經營所得現金	295,230	312,285
Income taxes paid	已付所得稅	(71,442)	(80,583)

Consolidated Statement of Cash Flows

綜合現金流量報表

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

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

			2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
	Notes 附註			
Net cash generated from operating activities		經營活動所得現金淨額	223,788	231,702
Cash flows from investing activities		投資活動所得現金流量		
Investment income received from financial products		金融產品所得投資收入	21,951	33,828
Purchase of financial products		購買金融產品	(3,732,622)	(4,674,667)
Proceeds from disposal of financial products		處置金融產品所得款項	3,696,212	4,721,977
Purchase of certificate of deposit		購買存款證	(831,084)	(2,388,691)
Proceeds from certificate of deposit		存款證所得款項	894,962	2,656,034
Purchases of property, plant and equipment		購買物業、廠房及設備	(42,451)	(32,169)
Payments to IOT Hospitals under IOT agreements		根據IOT協議向IOT醫院付款	(32,000)	(100,000)
Repayment from IOT Hospitals		IOT醫院償還款項	14,808	9,808
Proceeds from disposal of property, plant and equipment		處置物業、廠房及設備所得款項	308	37
Payment to Yan Hua Hospital	40.3	向燕化醫院付款	–	(10,000)
Repayment from Yan Hua Hospital	40.3	燕化醫院還款	–	10,000
Purchase of mutual funds		購買共同基金	(459,996)	(95,000)
Proceeds from mutual funds		共同基金所得款項	502,351	49,844
Acquisition of investment in an associate	22	收購於一間聯營公司之投資	–	(141,985)
Dividends received from an associate		從一間聯營公司收取之股息	1,963	–
Shareholder loan to a joint venture		向一間合營公司提供的股東貸款	(15,000)	(9,250)
Cash inflow on acquisition of subsidiaries	34	收購附屬公司之現金流入	101,003	–
Net cash generated from investing activities		投資活動所得現金淨額	120,405	29,766
Cash flows from financing activities		融資活動所得現金流量		
Transaction cost paid for syndicated loan	10	已付銀團貸款之交易成本	–	(27,375)
Payment for repurchase of ordinary shares		購回普通股付款	–	(23,892)
Dividends paid to owners of the Company	16	支付予本公司擁有人之股息	(83,112)	(32,506)
Repayments to the Sponsored Hospitals		向舉辦醫院返款	(15,955)	–
Proceeds from grant of Award Shares under Share Award Scheme		根據股份獎勵計劃授出獎勵股份之所得款項	462	41,896
Payment for acquisition of the non-controlling interests		支付收購非控股權益之款項	–	(7,115)

Consolidated Statement of Cash Flows

綜合現金流量報表

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

		For the year ended 31 December 截至12月31日止年度		
		2016	2015	
		2016年	2015年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Notes			
	附註			
Net cash used in financing activities	融資活動所用現金淨額	(98,605)	(48,992)	
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	245,588	212,476	
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	821,864	611,536	
Effect of foreign exchange rate changes	匯率變動影響	2,016	(2,148)	
Cash and cash equivalents at the end of the year	年末現金及現金等價物	1,069,468	821,864	29
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Bank balances and cash	銀行結餘及現金	1,069,468	821,864	29

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

China Resources Phoenix Healthcare Holdings Company Limited (formerly known as Phoenix Healthcare Group Co. Ltd) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 28 February 2013. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) from 29 November 2013. The registered office of the Company is 4th Floor, Harbour Place, 103 South Church Street, Grand Cayman KY1-1002, Cayman Islands, and its principal place of business is located at Beijing, the PRC. The Company is an investment holding company.

On 31 October 2016 (the “Acquisition Date”), Pinyu Limited (“Pinyu”), an indirect wholly-owned subsidiary of the Company, acquired the entire share capital of Ample Mighty Limited (“Ample Mighty”) and its subsidiaries from China Resources Healthcare Group Limited (“CR Healthcare Group”). Upon completion of the acquisition of Ample Mighty and its subsidiaries (the “Acquisition”), the name of the Company has been changed from “Phoenix Healthcare Group Co. Ltd” (“鳳凰醫療集團有限公司”) to “China Resources Phoenix Healthcare Holdings Company Limited” (“華潤鳳凰醫療控股有限公司”).

The Company and its subsidiaries (the “Group”) are mainly engaged in provision of general healthcare services, provision of hospital management and consulting services, group purchasing organization (“GPO”) business and other hospital-derived services in Mainland China.

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

1. 一般資料

華潤鳳凰醫療控股有限公司（前稱鳳凰醫療集團有限公司）（「本公司」）於2013年2月28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。其股份自2013年11月29日起於香港聯合交易所有限公司（「聯交所」）主板上市。本公司註冊辦事處地址為4th Floor, Harbour Place, 103 South Church Street, Grand Cayman KY1-1002, Cayman Islands，主要營業地點位於中國北京。本公司為投資控股公司。

於2016年10月31日（「收購日期」），Pinyu Limited（「Pinyu」，本公司的間接全資附屬公司）從華潤醫療集團有限公司（「華潤醫療集團」）收購廣雄有限公司（「廣雄」）及其附屬公司全部股本。完成廣雄及其附屬公司收購（「收購」）後，本公司名稱從鳳凰醫療集團有限公司變更為華潤鳳凰醫療控股有限公司。

本公司及其附屬公司（「本集團」）主要在中國內地從事提供綜合醫療服務、提供醫院管理及諮詢服務、集團採購組織（「GPO」）業務以及其他醫院衍生服務。

綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為本公司之功能貨幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSS”) Amendments to IFRSs that are mandatorily effective for the current year

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

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

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

2. 應用新訂及經修訂國際財務報告準則（「國際財務報告準則」） 本年度強制生效的國際財務報告準則的修訂

本集團已於本年度首次應用以下國際會計準則理事會（「IASB」）發佈的國際財務報告準則之修訂及詮釋。

國際財務報告準則第11號之修訂	收購合營業務權益之會計處理
國際會計準則第1號之修訂	披露動議
國際會計準則第16號及國際會計準則第38號之修訂	釐清可接納的折舊及攤銷方法
國際會計準則第16號及國際會計準則第41號之修訂	農業：生產性植物
國際會計準則第27號之修訂	獨立財務報表權益法
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號之修訂	投資實體：應用綜合入賬的例外情況
國際財務報告準則之修訂	國際財務報告準則2012年至2014年週期之年度改進

於本年度應用準則之其他修訂並未對該等綜合財務報表所載列之本集團本年度及過往年度之財務表現及狀況及／或披露構成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND 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 standards and interpretation that have been issued but are not yet effective.

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

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）

已頒佈但尚未生效的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的新訂及經修訂準則。

國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第15號	來自客戶合約的收益 ¹
國際財務報告準則第16號	租賃 ²
國際財務報告解釋公告第22號	外幣交易及提前考慮 ¹
國際財務報告準則第2號之修訂	以股份付款交易分類及計量 ¹
國際財務報告準則第4號之修訂	國際財務報告準則第9號金融工具與國際財務報告準則第4號保險合約相結合 ¹
國際財務報告準則第15號之修訂	國際財務報告準則第15號來自客戶合約的收益說明 ¹
國際財務報告準則第10號及國際會計準則第28號之修訂	投資者與其聯營公司或合營公司之間的資產出售或出資 ³
國際會計準則第7號之修訂	披露動議 ⁴
國際會計準則第12號之修訂	就未變現虧損確認遞延稅項資產 ⁴
國際會計準則第40號之修訂	投資財產轉讓 ¹
國際財務報告準則之修訂	國際財務報告準則2014年至2016年週期之年度改進 ⁵

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSS”)

(continued)

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

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

Except as described below, the directors of the Company (the “Directors”) do not anticipate that the application of the above mentioned new and revised standards and interpretation issued but not yet effective will have a material effect on the Group's consolidated financial statements.

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 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.

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）

已頒佈但尚未生效的新訂及經修訂國際財務報告準則（續）

- ¹ 於2018年1月1日或之後開始之年度期間生效
- ² 於2019年1月1日或之後開始之年度期間生效
- ³ 於待定日期或之後開始之年度期間生效
- ⁴ 於2017年1月1日或之後開始之年度期間生效
- ⁵ 於2017年1月1日 或2018年1月1日（如適當）或之後開始之年度期間生效

除下文所述者外，本公司董事（「董事」）不預期應用上述已頒佈但尚未生效的新訂及經修訂準則及詮釋將會對本集團之綜合財務報表構成重大影響。

國際財務報告準則第9號「金融工具」

於2009年頒佈的國際財務報告準則第9號引入金融資產分類及計量的新規定。國際財務報告準則第9號其後於2010年修訂，加入金融負債的分類及計量以及終止確認的規定，並於2013年作進一步修訂，加入一般對沖會計處理法之新規定。國際財務報告準則第9號另一修訂版於2014年頒佈，主要加入a) 金融資產之減值規定及b) 藉為若干簡單債務工具引入「以公允價值計量且變動計入其他全面收入」（「FVTOCI」）計量類別，對分類及計量規定作出有限修訂。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSS”)

(continued)

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

IFRS 9 Financial Instruments (continued)

Key requirements of IFRS 9 are described as follows:

All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are 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 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.

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 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 liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented 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）

已頒佈但尚未生效的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）

國際財務報告準則第9號的關鍵要求說明如下：

凡屬於國際會計準則第39號「金融工具」範圍內之已確認金融資產：確認及計量其後須按攤銷成本或公允價值計量。具體而言，以旨在收取訂約現金流量之業務模式持有，而訂約現金流量僅為償付本金及未償還本金利息之債務投資，一般於往後會計期末按攤銷成本計量。以旨在同時收取訂約現金流量及出售金融資產之業務模式持有，而其訂約條款令特定日期產生僅為償付本金及未償還本金之現金流量之利息之債務工具，一般以FVTOCI計量。所有其他債務投資及股本投資於其後會計期間末按公允價值計量。此外，根據國際財務報告準則第9號，實體可以不可撤回地選擇於其他全面收入呈列股本投資（並非持作買賣）之其後公允價值變動，而一般只有股息收入於損益內確認。

就計量指定以公允價值計量且其變動計入損益之金融負債而言，國際財務報告準則第9號規定，因金融負債信貸風險有變而導致之公允價值變動金額乃於其他全面收入呈列，除非於其他全面收入確認該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因金融負債信貸風險而產生之公允價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，指定以公允價值計量且其變動計入損益之金融負債之公允價值變動悉數於損益呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSS”)

(continued)

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

IFRS 9 Financial Instruments (continued)

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.

The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 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, retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Except for the potential early recognition of credit losses based on the expected loss model in relation to the Group's financial assets measured at amortised costs, the Directors anticipate that the adoption of IFRS 9 in the future may not have other significant impact on amounts reported in respect of the Group's financial assets and financial liabilities based on an analysis of the Group's financial instruments as at 31 December 2016.

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）

已頒佈但尚未生效的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）

就金融資產減值而言，與國際會計準則第39號項下的已產生信貸虧損模式相反，國際財務報告準則第9號規定按預期信貸虧損模式處理。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的入賬，須反映信貸風險自初步確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

新的一般對沖會計處理規定保留國際會計準則第39號目前可供使用的三類對沖會計處理機制。根據國際財務報告準則第9號，對於合資格作對沖會計處理的交易類別引入更高靈活性，尤其是擴闊合資格作對沖工具的工具類型及合資格作對沖會計處理的非金融項目的風險成份類型。此外，追溯性的量化成效測試已經撤銷。與此同時，在實體風險管理活動方面亦引入了經改良的披露規定。

除可能根據預期虧損模式就本集團按攤銷成本計量之金融資產提前確認信貸虧損外，基於對本集團於2016年12月31日金融工具之分析，董事預計，未來採納國際財務報告準則第9號未必會對有關本集團金融資產及金融負債的呈報金額造成其他重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

(continued)

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

IFRS 15 Revenue from Contracts with Customers

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

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

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

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

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）

已頒佈但尚未生效的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」

已頒佈的國際財務報告準則第15號制定一項單一全面模式供實體用作進行自客戶合約產生的收益之會計處理。國際財務報告準則第15號生效後，將取代國際會計準則第18號「收益」、國際會計準則第11號「建築合約」及相關詮釋等現有收益確認指引。

國際財務報告準則第15號的核心原則為，實體應按為反映該實體預期就交換該等貨品或服務而有權獲得代價的金額確認收益，以說明向客戶轉讓已承諾的貨品或服務而有權獲得的金額。具體而言，該準則引入收益確認的5步驟方針：

- 第一步：確定與客戶訂立的合約
- 第二步：確定合約中的履約義務
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約中的履約義務
- 第五步：當（或在）實體履行履約義務時確認收益

根據國際財務報告準則第15號，實體於達成履約義務時（或在達成履約義務的情況下）確認收益，即在特定履約義務相關商品或服務的「控制權」轉移予客戶時。國際財務報告準則第15號已加入更規範的指引，以處理具體情況。此外，國際財務報告準則第15號要求更詳盡的披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND 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)

In April 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 Group has performed a review of the existing contractual arrangement with its customers and the Directors do not expect the adoption of IFRS 15 would result in significant impact on the revenue recognition of its sales and services businesses and the consolidated financial statements. In addition, the application of IFRS 15 in the future may result in more disclosure in the consolidated financial statements.

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.

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）

已頒佈但尚未生效的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）

於2016年4月，國際會計準則理事會頒佈國際財務報告準則第15號之澄清，涉及識別履約責任、主事人相對代理人之考慮及授權申請指引。

本集團已審閱與其客戶的現有合約安排，且董事預期應用香港財務報告準則第15號將不會對其銷售及服務業務的收益確認和綜合財務報表造成重大影響。此外，日後應用國際財務報告準則或會導致須於綜合財務報表內作出更多披露。

國際財務報告準則第16號租賃

國際財務報告準則第16號引入綜合出租人及承租人租賃安排及會計處理模式。國際財務報告準則第16號將於生效時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號基於確定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的區別已從承租人會計刪除，由承租人就所有租賃確認使用權資產及相應負債的模式取代，短期租賃及低價值資產租賃除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

(continued)

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

IFRS 16 Leases (continued)

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. Under the IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and financing/operating cash flows as appropriate.

Under IAS 17, the Group has already recognised 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.

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）

已頒佈但尚未生效的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）

使用權資產最初按成本計量，隨後按成本（存在特定例外情況）減累計折舊及減值虧損計量，就租賃負債的任何重新計量作出調整。租賃負債最初按當日未支付之租賃款現值計量。隨後，租賃負債就利息及租賃款及租賃修改的影響作出調整。就現金流分類而言，本集團目前將先前預付租賃款呈列為與自用之租賃土地有關的投資現金流，其他經營租賃付款呈列為經營現金流。根據國際財務報告準則第16號，與租賃負債有關的租賃付款將分配至本金及利息部分，分別呈列為融資及融資／經營現金流（如適用）。

根據國際會計準則第17號，本集團已就本集團為承租人之融資租賃安排確認預付租賃付款。國際財務報告準則第16號的應用，可能導致這些資產分類變更，具體視因本集團是否分別呈列使用權資產，或是否屬於呈列（如屬擁有）相應相關資產同一項而定。

與承租人會計不同，國際財務報告準則第16號大致上採取國際會計準則第17號中的出租人會計要求，繼續要求出租人將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號要求全面披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSS”)

(continued)

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

IFRS 16 Leases (continued)

As disclosed in Note 37, total operating lease commitments for the Group as at 31 December 2016 amounted to RMB3,798,000, the Directors do not expect the applicable of IFRS 16 would result in significant impact on the Group's results but it is expected that certain of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

Amendments to IAS 7 Disclosure Initiative

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 changes arising from cash flows and non-cash changes. Specially, the amendments require the following changes in liabilities arising from financing activities 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.

The Directors anticipate that the application of the amendments will result in additional disclosures on the Group's financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

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）

已頒佈但尚未生效的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）

如附註37所披露，本集團於2016年12月31日的經營租賃承擔總額為人民幣3,798,000元，董事不預期應用國際財務報告準則第16號將導致對本集團業績的重大影響，惟預期若干該等租賃承擔將須於綜合財務狀況表確認為使用權資產及租賃負債，除非其於國際財務報告準則第16號應用後符合低價值或短期租賃。此外，新規定的應用可能導致上文所述的計量、呈列及披露有所變動。

國際會計準則第7號之修訂「披露動議」

修訂要求實體提供披露，使財務報表的使用者能夠評估融資活動產生的負債變動，包括現金流量和非現金變動引起的變動。尤其是修訂要求披露下列因融資活動產生的負債的變動：(i) 融資現金流量變動；(ii) 因取得或失去對附屬公司的控制權或其他業務而產生的變動；(iii) 匯率變動的影響；(iv) 公允價值變動；及(v) 其他變動。

董事預期，修訂的應用將導致須對本集團融資活動作額外披露，特別是因融資活動產生的負債於綜合財務狀況表中的期初和期末結餘之間的對賬，將在應用修訂時披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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 (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values 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.

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.

3. 主要會計政策 合規聲明

綜合財務報表按國際會計準則理事會發佈的國際財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）以及香港公司條例（「公司條例」）規定之適用披露。

編製基準

如下文所載會計政策闡釋，除若干金融工具按各報告期末的公允價值計量外，綜合財務報表按歷史成本法編製。

歷史成本一般以交換貨品及服務時給予代價的公允價值為基準。

公允價值乃於計量日在市場參與者之間在有序交易中出售資產所收取或轉讓負債所付出的價格，而不論該價格為可直接觀察或使用另一估值技術估計。於估計資產或負債的公允價值時，本集團會考慮市場參與者於計量日對資產或負債定價時所考慮的資產或負債的特徵。於本綜合財務報表中作計量及／或披露之用的公允價值乃按此基準釐定，惟屬於國際財務報告準則第2號「股份支付」範圍內的以股份付款交易、屬於國際會計準則第17號範圍內的租賃交易，以及與公允價值存在若干相似之處但並非公允價值（如國際會計準則第2號「存貨」的可變現淨值或國際會計準則第36號「資產減值」的使用價值）的計量除外。

非金融資產公平價值計量考慮市場參與者最大限度及最合理利用資產或將其出售予將最大限度及最合理利用資產的其他參與者產生經濟利益的能力。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Basis of preparation (continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporates the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

3. 主要會計政策 (續)

編製基準 (續)

此外，就財務報告而言，公允價值計量按計量公允價值所使用輸入值的可觀察程度及該等輸入值對公允價值整體計量的重要性劃分為一、二或三級，詳情如下：

- 第一級輸入值為實體於計量日可獲得的相同資產或負債於活躍市場的報價（未調整）；
- 第二級輸入值為資產或負債可直接或間接觀察獲得的輸入值（計入第一級的報價除外）；及
- 第三級輸入值為資產或負債無法觀察獲得的輸入值。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司財務報表以及本公司和其附屬公司所控制實體（包括結構性實體）的財務報表。當本公司符合以下各項時，即取得控制權：

- (i) 有權控制被投資公司；
- (ii) 因參與被投資方之業務而獲得或有權獲得浮動回報；及
- (iii) 有能力行使其權力影響該等回報。

倘事實及情況表明上文所列三個控制權元素中的一個或多個有變，則本集團重新評估其是否對被投資公司擁有控制權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Basis of consolidation (continued)

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

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the equity holders 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.

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.

3. 主要會計政策 (續)

綜合基準 (續)

附屬公司於本集團取得其控制權時開始綜合入賬，並於本集團喪失對其的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制該附屬公司當日止，年內所收購或出售附屬公司之收支均計入綜合損益及其他全面收入報表。

損益及各其他全面收入組成部分由本公司權益持有人及非控股權益分佔。附屬公司的全面收入總額由本公司權益持有人及非控股權益分佔，即使此舉會導致非控股權益出現虧絀結餘。

倘有需要，將對附屬公司的財務報表作出調整，以令其會計政策與本集團會計政策貫徹一致。

與本集團成員公司之間的交易相關的所有集團內公司間資產與負債、權益、收入、開支及現金流量於綜合賬目時全數對銷。

業務合併

業務收購使用收購法列賬。業務合併中轉讓之代價按公允價值計量，並按本集團轉讓資產、本集團為被收購公司前擁有人招致的負債及本集團為交換被收購公司控制權而發行之股本權益於收購日期之公允價值計算。與收購有關之成本一般於產生時在損益中確認入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Business combinations (continued)

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Employee Benefits at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

3. 主要會計政策 (續)

業務合併 (續)

於收購日期，收購的可識別資產及承擔負債按其公允價值確認，除非：

- 遞延稅資產或負債及員工福利安排相關資產或負債分別依據國際會計準則第12號稅項及國際會計準則第19號員工福利確認及計量；
- 被收購公司以股份付款之安排，或為替代收購以股份付款之安排而訂立之本集團以股份付款之安排相關負債或權益工具於收購日期依據國際財務報告準則第2號員工福利計量；及
- 依據國際財務報告準則第5號待銷售及終止經營非流動資產分類為待售的資產（或處置組合）按該準則計量。

商譽按轉讓代價金額、於被收購公司中任何非控股權益金額及收購公司之前於被收購公司中所持有股本權益（如有）之公允價值超出收購日期所收購可識別資產及所承擔負債淨額之金額計量。倘重新評估之後，收購日期所收購可識別資產及所承擔負債淨額超出轉讓代價金額、於被收購公司中任何非控股權益金額及收購公司之前於被收購公司中所持有股本權益（如有）之公允價值，超出金額立即於損益中確認為廉價收購收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Business combinations (continued)

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

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 (which cannot exceed one year from the acquisition date), 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 groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

3. 主要會計政策 (續)

業務合併 (續)

屬於現有所有權權益及令持有人有權於清盤時獲得一定比例份額之實體淨資產之非控股權益，最初可按公允價值或被收購公司可識別淨資產已確認金額之非控股權益比例份額計量。計量依據按逐項交易選擇。其他類型非控股權益按其賬面值計量。

倘業務合併的初步會計處理於合併發生的報告期末仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間（自收購日期起計不得超過一年）內作出調整，並確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，原應會影響於當日所確認的金額。

商譽

業務收購所產生之商譽按業務收購日期確定之成本（參閱以上會計政策）減累積減值虧損（如有）列賬。

就減值測試而言，商譽分配至預期受益於合併協同效應之本集團各現金產生單位（或現金產生單位集團），表示為了內部管理需要而監控商譽之最低水平及規模不超過某一經營分部。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill (continued)

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

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

The Group's policy for goodwill arising on the acquisition of an associate and joint ventures is described below.

Investments in associates and joint ventures

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.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. 主要會計政策 (續)

商譽 (續)

獲分配商譽之現金產生單位 (或現金產生單位集團) 每年進行減值測試，或有跡象顯示單位可能減值時按更頻繁的頻率進行減值測試。就報告期內因收購所產生之商譽，獲分配商譽之現金產生單位 (或現金產生單位集團) 於報告期結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，減值虧損首先分配以減低任何商譽之賬面值，之後基於單位各資產賬面值按比例分配至單位 (或現金產生單位集團) 其他資產。

處置相關現金產生單位時，商譽應佔金額於釐定處置損益金額時計入。

本集團有關收購聯營公司及合營公司所產生之商譽政策載於下文。

對聯營公司及合營公司之投資

聯營公司指本集團對其有重大影響力之實體。重大影響力指參與 (而非控制或共同控制) 被投資公司之財務及經營政策決定之權力。

合營公司指一項共同安排，對安排擁有共同控制權之訂約方據此有權享有共同安排之資產淨值。共同控制指對某項安排之訂約協定共有控制，共同控制僅於相關活動之決定需共享控制權之各方一致同意之時存在。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments in associates and joint ventures (continued)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures 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 or a joint venture 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 or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), 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 or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, 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)

對聯營公司及合營公司之投資 (續)

聯營公司或合營公司之業績及資產與負債以權益會計法計入本綜合財務報表。用作權益會計處理的聯營公司及合營公司財務報表採用與本集團在類似環境下對類似交易及事件採用的統一會計政策編製。根據權益法，對聯營公司或合營公司之投資初步按成本於綜合財務狀況報表確認，其後作出調整，以確認本集團分佔聯營公司或合營公司之損益及其他全面收入。倘本集團分佔聯營公司或合營公司之虧損超出其於該聯營公司或合營公司之權益（包括實質上構成本集團於該聯營公司或合營公司之淨投資一部分之任何長期權益），本集團不再確認其分佔之進一步虧損。僅於本集團已產生法律或推定責任，或代表該聯營公司或合營公司付款之情況下，方會以此為限確認額外虧損。

對一間聯營公司或合營公司之投資，自被投資公司成為聯營公司或合營公司當日起採用權益法入賬。收購對一間聯營公司或合營公司之投資時，投資成本超出本集團分佔該被投資公司之可識別資產及負債之公允淨值之任何金額確認為商譽，並計入投資賬面值。於重估後，本集團分佔可識別資產及負債之公允淨值超出投資成本之任何差額，即時於收購投資之期間內於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investments in associates and joint ventures (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 or a joint venture. 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 the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

3. 主要會計政策 (續)

對聯營公司及合營公司之投資 (續)

本公司應用國際會計準則第39號之規定，釐訂是否須就本集團於聯營公司或合營公司之投資確認任何減值虧損。於必要時，按照國際會計準則第36號將有關投資（包括商譽）作為一項單一資產，以比較其可收回金額（以使用價值與公允價值減出售成本間之較高者為準）與賬面值之方式對其整體賬面值作減值測試。任何已確認減值虧損均構成投資賬面值之一部分。倘投資之可收回金額其後增加，則按照國際會計準則第36號確認減值虧損撥回。

凡本集團減持於一間聯營公司或合營公司之所有權權益但仍採用權益法入賬，則本集團將先前於其他全面收入就減持所有權權益確認的收益或虧損部分（若該收益或虧損將於出售相關資產或負債時重新分類至損益）重新分類至損益。

當集團實體與本集團之聯營公司或合營公司交易時，與該聯營公司或合營公司交易而產生之利潤及虧損，僅於該聯營公司或合營公司權益與本集團無關之情況下，方會於本集團綜合財務報表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

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.

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:

- i) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- ii) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- iii) the amount of revenue can be measured reliably;
- iv) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策 (續)

收益確認

收益按已收或應收代價之公允價值計量。收益已扣減估計客戶退貨、返還及其他類似津貼。

收益於收益金額能夠可靠地計量時確認。如下文所述，當未來經濟利益很有可能流入本集團時及當本集團各項活動達至具體標準時確認。

銷售貨品之收益乃於貨品已交付及擁有權已轉移，且符合下列所有條件時確認：

- i) 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- ii) 集團對已售貨品並無保留一般與擁有權有關之持續管理參與程度或實際控制權；
- iii) 收益金額能夠可靠地計量；
- iv) 與交易相關之經濟利益很可能流入本集團；及
- v) 就交易已產生或將產生之成本能夠可靠地計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition (continued)

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.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 主要會計政策 (續)

收益確認 (續)

服務收入(包括管理服務收入和綜合醫院服務收入)在提供相關服務及所提供服務的經濟利益有可能流入本集團,而該等利益能夠可靠計量時予以確認。

在經濟利益可能流入本集團及收入金額能夠可靠地計量時,確認金融資產之利息收入。利息收入參考未償還本金及按適用的實際利率按時間累計。實際利率為將金融資產之估計未來現金收入在其預計年期內準確貼現至該資產於初步確認時之賬面淨值之利率。

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租賃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為承租人

經營租賃款於租期內以直線法確認為開支。

租賃土地及樓宇

租賃包括土地及樓宇元素時,本集團根據對各元素所有權附帶的絕大部分風險及回報是否已轉移至本集團之評估,分別將各元素分類評定為融資租賃或經營租賃,除非兩者均明顯為經營租賃,於此情況下整項租賃分類為經營租賃。具體而言,最低租賃款(包括任何整筆預付款項)於租約開始時按租賃土地部分及樓宇元素中的租賃權益相對公允價值比例在土地元素與樓宇元素間分配。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Leasing (continued)

Leasehold land and building (continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “lease prepayments for land use right” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

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.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rate prevailing at the end of the reporting period. Income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

3. 主要會計政策 (續)

租賃 (續)

租賃土地及樓宇 (續)

倘租金能可靠分配，則以經營租賃列賬之租賃土地權益於綜合財務狀況表中列為「土地使用權預付租賃款」，並於租期內按直線法攤銷。

外幣

於編製各個別集團實體的財務報表時，以非該實體功能貨幣之貨幣（外幣）進行的交易須按交易當日的通行匯率確認。於報告期末，以外幣計值的貨幣項目均按換算日的通行匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目則不會重新換算。

貨幣項目結算及外幣項目再轉化所產生的匯兌差額於其產生期間於損益確認。

就呈列綜合財務報表而言，本集團外國業務之資產及負債按報告期期末通行之匯率折算為本集團呈列貨幣（即人民幣）。收入及開支按年度平均匯率折算。所產生之匯率差異（如有）確認於其他綜合收入及於匯兌儲備一節累計為股本（在適當情況下歸於非控股權益）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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.

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 that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method at the end of the reporting period.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

3. 主要會計政策 (續)

借款成本

收購、建造或生產合格資產(即需要頗長時期方可準備就緒作擬定用途或出售之資產)直接產生之借款成本計入該等資產之成本,直至資產大致準備就緒可作其擬定用途或出售為止。

所有其他借款成本在產生期間於損益確認。

政府補助

政府補助在可合理確定本集團將遵循政府補助附帶之條件並可收取補助之前不予確認。

用作補償已產生開支或虧損或用於向本集團提供即時財務援助,而無未來相關成本所應收之政府補助,於成為應收期間於損益確認。

退休福利成本

向國家管理之退休福利計劃之供款,於僱員因提供服務而有權享有該等供款時確認為開支。

就指定退休福利計劃,提供福利之成本於報告期末用預計單位貸記法釐定。

以往服務成本於計劃修訂期間於損益確認。利息淨額乃於期初對淨指定福利負債或資產按貼現率計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Retirement benefit costs (continued)

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in actuarial changes reserve and will not be reclassified to profit or loss.

Share-based payment arrangements

Equity-settled share-based payment transactions

Share award scheme

For Award Shares granted that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of Award Shares granted at the date of grant, net of any initial grant price received, without taking into account any service and non-market performance vesting conditions. The fair value of services is expensed on a straight-line basis over the vesting period, based on the Group's estimate of Award Shares that will eventually vest with a corresponding increase in equity (share-based payment reserve). For Award Shares that vest immediately at the date of grant, the fair value of the Award Shares granted is expensed immediately to profit or loss, unless qualified for recognition as assets.

At the end of the reporting period, the Group revises its estimate of the number of Award Shares that are expected to vest. The impact of the revision of the estimates is recognised in profit or loss, such that the cumulative expenses reflects the revised estimate with a corresponding adjustment to share-based payment reserve.

3. 主要會計政策 (續)

退休福利成本 (續)

重新計量(包括精算收益及虧損)、資產上限變更生效(如有)及計劃資產回報(不包括利息)於綜合財務狀況報表中直接反映,費用或貸項於產生期間在其他綜合收益中確認。於其他綜合收益中確認之重新計量直接反映於精算變動儲備,不會重新分類至損益。

以股份付款之安排

按權益結算以股份付款之交易

股份獎勵計劃

就須達致指定歸屬條件方為有效的已授出獎勵股份而言,已獲取服務之公允價值乃參考已授出獎勵股份於授出日期之公允價值釐定,並扣除已收取的任何初步授出價格,但無需計及任何服務及非市場表現歸屬條件。服務之公允價值根據本集團對最終將歸屬的獎勵股份之估計於歸屬期間以直線法列支,並相應增加權益(股份付款儲備)。就於授出日期即時歸屬的獎勵股份,除非合資格確認為資產,否則已授出獎勵股份之公允價值即時於損益列支。

於報告期末,本集團修訂對預期將歸屬的獎勵股份數目之估計。修訂估計之影響於損益確認,以令累積開支反映經修訂之估計,並於股份付款儲備作相應調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Share-based payment arrangements

(continued)

Share award scheme (continued)

When the Award Shares are vested, the amount previously recognised in share-based payment reserve will be transferred to treasury share reserve. The difference between the amount previously recognised in share-based payment reserve and the cost for repurchasing the award shares will be transferred from treasury share reserve to capital reserve.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred 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 is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such 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)

以股份付款之安排 (續)

股份獎勵計劃 (續)

倘獎勵股份獲歸屬，先前於股份付款儲備內確認之金額將轉撥至庫存股份儲備。先前於股份付款儲備確認之金額與購買獎勵股份之成本間之差額由庫存股份儲備轉撥至股本儲備。

稅項

所得稅開支指即期應繳稅項與遞延稅之總和。

即期應繳稅項根據年內應課稅利潤計算。應課稅利潤有別於綜合損益及其他全面收入報表內呈報之除稅前利潤，原因在於其他年度之應課稅或可扣稅收入或開支，以及完全毋須課稅或不可扣稅項目。本集團之即期稅項負債採用於報告期末已制訂或大致已制訂之稅率計算。

遞延稅按綜合財務報表內資產及負債之賬面值與用以計算應課稅利潤之相應稅基間之暫時差額確認。所有應課稅暫時差額一般須確認遞延稅負債。遞延稅資產則一般於有可能獲得用於抵扣可扣稅暫時差額的應課稅利潤時就所有可扣稅暫時差額確認。倘暫時差額乃因初步確認(業務合併除外)一宗交易中的資產及負債產生，且不影響應課稅利潤及會計利潤，則不確認有關遞延稅資產及負債。此外，倘暫時差額因商譽初步確認產生，則不確認遞延稅負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, 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 and interests 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 the reporting periods 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 each 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 periods, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates 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)

遞延稅負債是就與投資附屬公司及聯營公司和合營公司權益相關之應課稅暫時差額確認，惟倘本集團能控制暫時差額之撥回及暫時差額不大可能於可見將來撥回則除外。因與該等投資及權益相關之可扣稅暫時差額而產生之遞延稅資產，僅於應課稅利潤有可能足以用於抵扣該等暫時差額的利益且該可扣稅暫時差額預計可於可見將來撥回時確認。

遞延稅資產之賬面值於各報告期末檢討，並扣減至當不再可能有足夠應課稅利潤可供收回所有或部分資產為止。

遞延稅資產及負債按預期於清償負債或變現資產期間適用之稅率計量，該稅率乃根據於報告期末已制訂或大致已制訂之稅率（及稅法）釐定。

遞延稅負債及資產之計量反映本集團於報告期末預期收回或結清其資產及負債賬面值之方式可能會帶來之稅務後果。

即期稅項及遞延稅於損益確認，惟倘其與在其他全面收入確認或直接於權益確認之項目相關，則即期稅項及遞延稅亦分別於其他全面收入或直接於權益確認。倘業務合併初步會計產生即期稅項或遞延稅，稅務影響納入業務合併會計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment other than construction in progress as described below are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress is carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. 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 items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of 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.

3. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備(下文所述在建工程除外)按成本減其後累計折舊及累計減值虧損(如有)列入綜合財務狀況報表。

在建工程按成本減任何已確認減值虧損列賬。成本包括專業費用,及就合資格資產而言,亦包括根據本集團會計政策資本化之借款成本。在建工程於落成及準備就緒可作擬定用途時分類至適當的物業、廠房及設備類別。該等資產於其準備就緒可作擬定用途時開始按與其他物業、廠房及設備相同之基準計提折舊。

折舊在估計可使用年期內以直線法撇銷物業、廠房及設備(在建工程除外)項目之成本減其剩餘價值確認。本公司於各報告期末檢討估計可使用年期、剩餘價值及折舊方法,任何估計變動之影響按未來適用法入賬。

物業、廠房及設備項目於出售後或當預期持續使用該資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損,按出售所得款項與該資產賬面值之差額計算並於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible asset with indefinite useful life is not amortized and carried at cost less any subsequent accumulated impairment losses.

Intangible assets acquired in a business combination

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

Alternatively, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

3. 主要會計政策 (續)

無形資產

獨立收購之無形資產

獨立收購具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產按其估計使用年期直線確認。估計可使用年期及攤銷法於各報告期末檢討，而估計可能發生變更出現任何變化之影響則提前入賬。具無限可使用年期之無形資產不按成本減任何隨後累計減值虧損攤銷及列賬。

業務合併中收購之無形資產

業務合併中收購之無形資產獨立從商譽確認，並初步按收購日期公允價值確認（視為其成本）。

初步確認後，業務合併中收購具有有限可使用年期之無形資產按成本減隨後累計攤銷及任何累計減值虧損，按照獨立收購無形資產相同基準呈報。

另外，業務合併中收購之具不確定可使用年期之無形資產則按成本減任何隨後累計減值虧損列賬。

無形資產終止確認

無形資產於出售或預計不會從資產的使用或出售中獲得未來經濟利益時終止確認。因終止確認無形資產而產生之收益或虧損按出售所得款項淨額與資產賬面值之差額計算，並於終止確認該資產之期間於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and 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.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策 (續)

除商譽外有形及無形資產減值

於各報告期末，本集團檢討其具有有限使用年期之有形及無形資產之賬面值，以釐定是否有任何跡象顯示該等資產已蒙受減值虧損。倘存在任何該等跡象，則估計資產之可收回金額，以釐定減值虧損（如有）之程度。倘無法估計個別資產之可收回金額，則本集團估計該資產所屬現金產生單位之可收回金額。倘可釐定合理及一致之分配基準，則公司資產亦會分配至個別現金產生單位，否則將分配至可釐定合理及一致之分配基準之最小現金產生單位組別。

具不確定可使用年期之無形資產及尚不可使用之無形資產至少每年進行減值測試，及在有跡象顯示可能減值時進行減值測試。

可收回金額為公允價值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率應反映當前市場對資金時間值及資產特定風險（未來現金流量之估計未就該等風險作出調整）之評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment of tangible and intangible assets other than goodwill (continued)

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.

Inventories

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

3. 主要會計政策 (續)

除商譽外有形及無形資產減值 (續)

倘某項資產 (或現金產生單位) 之可收回金額估計低於其賬面值，則將該資產 (或現金產生單位) 之賬面值減至其可收回金額。分配減值虧損時，減值虧損首先分配至減低任何商譽之賬面值 (如適用)，之後基於單位各資產賬面值按比例分配至其他資產。資產賬面值不可減至低於其公允價值減處置成本 (如可計量)、其使用價值 (如可釐定) 及零 (以最高者為準)。另外分配至資產之減值虧損金額按比例分配至該單位之其他資產。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，則將該資產 (或現金產生單位) 之賬面值增至其可收回金額的經修訂估計值，惟增加後的賬面值不得超過該資產 (或現金產生單位) 過往年度未確認減值虧損情況下所應釐定之賬面值。撥回的減值虧損即時於損益確認。

存貨

存貨按成本與可變現淨值之較低者列賬。存貨成本採用加權平均法釐定。可變現淨值指存貨估計售價減所有估計竣工成本及銷售所需成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

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.

Financial assets

The Group's financial assets are classified as financial assets at fair value through profit or loss ("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.

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 periods. 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 financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

3. 主要會計政策 (續)

金融工具

當集團實體成為工具合約條文之訂約方時，確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。收購或發行金融資產及金融負債（以公允價值計量且其變動計入損益之金融資產或金融負債除外）直接應佔之交易成本於初步確認時按恰當者計入或扣除自該金融資產或金融負債之公允價值。收購以公允價值計量且其變動計入損益之金融資產或金融負債直接應佔之交易成本即時於損益確認。

金融資產

本集團之金融資產分類為以公允價值計量且其變動計入損益的金融資產（「FVTPL」）與貸款及應收款項。分類取決於按金融資產性質及用途，並於初始確認時釐定。

實際利率法

實際利率法乃於有關期間計算債務工具之攤銷成本及分配利息收入之方法。實際利率乃於金融資產之預計年期或（如適用）較短期間內，準確貼現估計未來現金收入（包括構成整體實際利率之一切已付或已收費用、點、交易成本及其他溢價或折讓）至其初始確認賬面淨值之利率

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Effective interest method (continued)

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL of which interest income is included in other income.

Financial assets at FVTPL

Financial assets at FVTPL represent financial assets held for trading and financial assets designated as at FVTPL.

A financial asset is classified as held for trading if:

- i) it has been acquired principally for the purpose of selling in the near term; or
- ii) on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- iii) it is a derivative that is not designated and effective as a hedging instrument.

A financial asset (including short-term investments) other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- ii) 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
- iii) 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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法 (續)

除分類為FVTPL的金融資產之利息收入計入其他收入外，債務工具乃按實際利率基準確認利息收入。

分類為FVTPL的金融資產

分類為FVTPL的金融資產指持作買賣之金融資產及指定按FVTPL入賬之金融資產。

於下列情況下，金融資產分類為持作買賣：

- i) 購買之主要目的為於短期內出售；或
- ii) 於初步確認時為本集團共同管理的已確定金融工具組合之一部分，且近期已形成實際的短期獲利模式；或
- iii) 屬於並非指定及可有效作為對沖工具的衍生工具。

於下列情況下，持作買賣金融資產以外之金融資產（包括短期投資）可於初步確認時指定為FVTPL：

- i) 有關指定可消除或大幅減低原應另行產生的計量或確認可能出現不一致之情況；或
- ii) 金融資產構成一組金融資產或金融負債的一部分或兩者兼具，並根據本集團的風險管理或投資策略文件，按公允價值基準管理及評估其表現，而分組資料則按該基準在內部提供；或
- iii) 金融資產構成包含一種或多種內含衍生工具之合約的一部分，而國際會計準則第39號允許將整份合併合約（資產或負債）指定為FVTPL。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL (continued)

Financial assets at FVTPL are stated at fair value, with any gain or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the “other gains and losses” line item. The dividend or interest earned on the financial assets is included in the “other income” line item.

Fair value is determined in the manner described in Note 42.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables, receivables from IOT Hospitals, loan to a sponsored hospital, amounts due from related parties, certificate of deposit and cash and cash equivalents) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Impairment of financial assets

Financial assets other than those at FVTPL are assessed for indicators of impairment at the end of each of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

分類為FVTPL的金融資產 (續)

分類為FVTPL的金融資產按公允價值計量，重新計量產生的任何盈虧於損益確認。於損益確認之收益或虧損淨額不包括金融資產所賺取之任何股息或利息，並計入「其他收益及虧損」項。金融資產賺取之股息或利息計入「其他收入」項。

公允價值按附註42所述方式釐定。

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款，而在活躍市場並無報價之非衍生金融資產。初步確認後，貸款及應收款項（包括應收貿易款項、其他應收款項、來自IOT醫院之應收款項、向一間舉辦醫院提供的貸款、應收關聯方款項、存款證及現金及現金等價物）採用實際利率法按攤銷成本減任何已識別減值虧損列賬。

金融資產減值

在各報告期末評估金融資產（分類為FVTPL的金融資產除外）有否減值跡象。倘有客觀證據顯示金融資產之估計未來現金流量因初步確認後發生之一項或多項事件而受影響，則該金融資產視為已減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and other receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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)

減值之客觀證據可包括：

- 發行人或對手方出現重大財務困難；或
- 違反合約，例如違責或拖欠還本付息；或
- 借款人有可能面臨破產或財務重組。

對於若干類別之金融資產（例如應收貿易款項），已評定為並無單獨減值的資產再行集體評估減值。一組應收款項減值的客觀證據可包括本集團的過往收款記錄、該組合超出平均信貸期的逾期付款數目增加，以及國家或地方經濟狀況出現與應收款項違責有關的明顯變化。

已確認減值虧損金額即金融資產賬面值與估計未來現金流量按該資產原實際利率貼現的現值之間的差額。

所有金融資產之減值虧損會直接自金融資產之賬面值扣減，惟應收貿易款項及其他應收款項除外，其賬面值會透過使用撥備賬扣減。應收貿易款項或其他應收款項被視為不可收回時，則將於撥備賬撤銷。其後收回的過往撤銷款項將計入損益。撥備賬之賬面值變動於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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 losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

倘於隨後期間減值虧損金額減少，而該減少客觀上與確認減值虧損後發生之事件有關，則先前已確認的減值虧損可透過損益撥回，惟該金融資產於減值撥回當日的賬面值不得超過未確認減值時的攤銷成本。

金融負債及權益工具

集團實體發行的債權及權益工具乃根據所訂立合約安排之內容及金融負債和權益工具之定義分類為金融負債或權益。

權益工具

權益工具指證明擁有某實體在扣減所有負債後之資產的剩餘權益之任何合約。本公司所發行之權益工具按已收所得款項減直接發行成本確認。

購回本公司自身權益工具直接於權益中確認及扣減。購買、出售、發行或註銷本公司自身權益工具之收益或虧損不會於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant periods. 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 at amortised cost

Financial liabilities including trade payables, other payables, amounts due to related parties and payables to the Sponsored Hospitals are subsequently measured at amortised cost using the effective interest method.

Derecognition

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 entity.

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.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. 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)

實際利率法

實際利率法乃於有關期間計算金融負債之攤銷成本及分配利息開支之方法。實際利率乃於金融負債之預計年期或(如恰當)較短期間內,準確貼現估計未來現金付款(包括構成實際利率之一切已付或已收費用、點、交易成本及其他溢價或折讓)至其於初始確認賬面淨值之利率。利息費用按實際利率基準確認。

攤銷成本之金融負債

金融負債(包括應付貿易款項、其他應付款項、應付關聯方款項及應付舉辦醫院款項)其後採用實際利率法按攤銷成本計量。

取消確認

本集團僅會於從金融資產取得現金流量之合約權利屆滿,或於其將資產及該資產擁有權之絕大部分風險及回報轉移予另一實體時方取消確認金融資產。

取消確認金融資產時,資產賬面值與已收取和應收取代價總和之差額於損益確認。

本集團僅於本集團之責任解除、取消或屆滿時方取消確認金融負債。取消確認金融負債之賬面值與已付及應付代價間之差額於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the management of the Group are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimation, that the management of the Group have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Control over the hospitals under IOT agreements

The Group entered into a series of IOT agreements with the not-for-profit hospitals and their contributors which the Group agrees to make investments to the hospitals or/and the contributors to improve the medical facilities of the hospitals in exchange for the right to manage and operate the hospital and receive performance-based management fees for periods ranging from 16 to 48 years. The operating rights are expected to be transferred back to the hospitals or their contributors after these periods.

4. 重要會計判斷及估計不明朗因素的主要來源

於應用本集團之會計政策（於附註3說明）時，本集團管理層須對無法自其他來源明顯可得之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被視為相關之其他因素作出。實際結果可能有別於該等估計。

估計及有關假設乃持續檢討。倘會計估計之修訂僅影響修訂期間，則僅於修訂期間確認；倘修訂同時影響本期間及未來期間，則於修訂期間及未來期間確認。

應用會計政策時作出之重要判斷

以下為本集團管理層在應用本集團會計政策過程中所作出且對綜合財務報表所確認金額有最重大影響的重要判斷（涉及估計之判斷除外）。

IOT協議項下對醫院的控制權

本集團與非營利醫院及其出資方訂立一系列IOT協議，據此本集團同意向該等醫院或／及出資方作出投資，改善醫院的醫療設施，以換取在介乎16到48年不等的期間內管理及營運相關醫院並收取績效管理費的權利。預計經營權將在該等期限結束後歸還該等醫院或其出資方。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying accounting policies (continued)

Control over the hospitals under IOT agreements (continued)

The management assessed whether or not the Group has control over these not-for-profit hospitals through the IOT agreements (the "IOT Hospitals") based on whether the Group has the practical ability to direct the IOT Hospitals' relevant activities unilaterally. In making their judgement, the management considered the composition of the internal governance bodies and also certain committees which oversee the operations of the hospitals. After assessment, the management concluded that the Group does not obtain the decision making power under these bodies and committees to direct the relevant activities of the hospitals, so the Group does not control and thus does not consolidate those hospitals. Instead, these IOT agreements are considered as management contracts to generate management service income. Details of the IOT agreements are set out in Note 7.

Control over the hospitals under the sponsorship rights and consulting agreements

The Group acquired the sponsorship rights from other parties and became the sponsor of certain not-for-profit hospitals. The Group also entered into a series of consulting agreements with those not-for-profit hospitals which the Group agrees to provide consulting services to the hospitals and receive performance-based consulting fees.

4. 重要會計判斷及估計不明朗因素的主要來源 (續)

應用會計政策時作出之重要判斷 (續)

IOT協議項下對醫院的控制權 (續)

管理層基於本集團是否擁有單方面指導IOT醫院相關活動的實際能力來評估本集團是否透過IOT協議擁有該等非營利醫院(「IOT醫院」)之控制權。在作出判斷時，管理層考慮監督醫院營運的內部管治機構及若干委員會的組成。經過評估後，管理層認為，本集團未獲得該等機構及委員會的決策權，指導醫院相關活動，即本集團並無控制權，故不對該等醫院綜合入賬。該等IOT協議繼而被視為產生管理服務收入之管理合約。IOT協議詳情載於附註7。

舉辦權及顧問協議項下對醫院的控制權

本集團從其他人士購買舉辦權，成為若干非營利醫院舉辦方。本集團亦與該等非營利醫院訂立一系列顧問協議，本集團同意向該等醫院提供顧問服務及收取基於績效之顧問費。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying accounting policies (continued)

Control over the hospitals under the sponsorship rights and consulting agreements (continued)

The management assessed whether or not the Group has control over these not-for-profit hospitals through the sponsorship rights and consulting agreements based on whether the Group has the practical ability to direct the hospitals' relevant activities unilaterally. In making their judgement, the management considered the composition of the internal governance bodies and also certain committees which oversee the operations of the hospitals. After assessment, the management concluded that the Group does not obtain the decision making power under these bodies and committees to direct the relevant activities of the hospitals, so the Group does not control and thus does not consolidate those hospitals. Instead, these consulting agreements are considered to generate consulting service income. Details of the sponsorship rights and consulting agreements are set out in Note 7.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year from the end of each reporting period.

4. 重要會計判斷及估計不明朗因素的主要來源 (續)

應用會計政策時作出之重要判斷 (續)

舉辦權及顧問協議項下對醫院的控制權 (續)

管理層基於本集團是否擁有單方面指導醫院相關活動的實際能力來評估本集團是否透過舉辦權及顧問協議擁有該等非營利醫院之控制權。在作出判斷時，管理層考慮監督醫院營運的內部管治機構及若干委員會的組成。經過評估後，管理層認為，本集團未獲得該等機構及委員會的決策權，指導醫院相關活動，即本集團並無控制權，故不對該等醫院綜合入賬。該等顧問協議繼而被視為產生顧問服務收入。舉辦權及顧問協議詳情列載於附註7。

估計及相關假設將不斷檢討。會計估計修訂倘僅影響修訂期間，則於修訂期間確認，倘影響當前及未來期間，則於修訂期間及未來期間確認。

估計不明朗因素的主要來源

以下為各報告期末存在導致資產及負債之賬面值於各報告期間結束起計下一財政年度內作出重大調整之重大風險之未來相關主要假設及估計不明朗因素之其他主要來源。

4. CRITICAL ACCOUNTING JUDGEMENTS AND 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 calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss/further impairment loss may arise. As at 31 December 2016, the carrying amount of goodwill is RMB1,463,611,000 (net of accumulated impairment loss of RMB1,727,499,000). Details of the recoverable amount calculation are disclosed in Note 21.

Provisional fair value of net assets on date of acquisition of subsidiaries

The business combination was related to the Group's acquisition of the entire share capital of Ample Mighty and its subsidiaries from CR Healthcare Group by the issue of 462,913,516 consideration shares by the Company. However, since the initial accounting for these business combinations is incomplete by the end of the reporting period, the Group reports provisional amounts for the items for which the initial accounting for business combinations is incomplete.

Those provisional amounts may be adjusted during the measurement period (which cannot exceed one year from the acquisition date), and additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the sum of the acquisition-date fair value of the assets transferred to the Group, liabilities assumed by the Group and the goodwill arising on acquisition recognised on the date of acquisition. The Group's acquisition of Ample Mighty and its subsidiaries were accounted for on a provisional basis as set out in Note 34.

4. 重要會計判斷及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)

商譽估計減值

確定商譽是否減值要求商譽所分配之現金產生單位可收回金額估計，即使用價值或公允價值減處置成本（以較高者為準）。計算要求本集團估計預期從現金產生單位產生之未來現金流及合適貼現率，以計算當前價值。倘實際未來現金流低於預期，或事實及情況變化致使未來現金減少，則可能產生重大減值虧損／未來減值。於2016年12月31日，商譽賬面值為人民幣1,463,611,000元（扣除累計減值虧損人民幣1,727,499,000元）。可收回金額計算詳情披露於附註21。

於收購附屬公司日期資產淨值之暫估公允價值

業務合併與本集團透過本公司發行462,913,516股代價股份之方式向華潤醫療集團收購廣雄及其附屬公司全部股本有關。然而，由於該等業務合併的初步會計處理於報告期末仍未完成，故本集團就仍未完成業務合併初步會計處理的項目呈報暫定金額。

該等暫定金額可能於計量期間（不得超過收購日期起計一年）內作出調整，而所確認的額外資產或負債（以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於收購日期確認的本集團所獲轉讓資產及所承擔負債及收購產生的商譽的收購日期公允價值的總和。本集團收購廣雄及其附屬公司如附註34所載按暫定基準入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Provisional fair value of net assets on date of acquisition of subsidiaries (continued)

The provisional fair value of net assets acquired on the date of acquisition, i.e. as at 31 October 2016, of Ample Mighty and its subsidiaries was RMB1,791,490,000 and the goodwill arising on the acquisition of Ample Mighty and its subsidiaries was RMB3,191,110,000, determined on a provisional basis.

The acquisition method of accounting for business combinations requires the Group to estimate the fair value of identifiable assets acquired and liabilities assumed. This requires the use of management's assumptions and judgement, based on the useful life of the sponsorship rights and consulting services contracts, financial forecast and discount rate for intangible assets valuation. The sponsorship rights and consulting services contracts recognised provisionally in the business combination amounted to RMB1,728,026,000 as disclosed in Notes 18 and 34.

Estimated useful lives and impairment of sponsorship rights and consulting services contracts

The Group's management estimates the useful lives of the sponsorship rights and consulting services contracts of the hospitals are indefinite. This estimate is based on an analysis of all of the relevant factors, such as the expected useful life of similar nature and functions, the period of control over the right and legal or similar limits on the use of the rights (including the ability to renew the consulting service contracts upon their maturity through the sponsorship rights to appoint representatives in the board of trustees of the Sponsored Hospitals), and the useful life is dependent on the useful life of other assets of the hospitals. Based on this analysis, the Group's management considers there is no foreseeable limit to the period over which the right is expected to generate net cash inflows for the Group.

4. 重要會計判斷及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)

於收購附屬公司日期資產淨值之暫估公允價值 (續)

廣雄及其附屬公司於收購日期(即2016年10月31日)所收購資產淨值的暫估公允價值為人民幣1,791,490,000元，而收購廣雄及其附屬公司產生的商譽按暫定基準釐定為人民幣3,191,110,000元。

業務合併的會計收購法要求本集團估計已收購可識別資產的公允價值及已承擔的負債。這需要管理層根據舉辦權及顧問服務合同使用年期、無形資產估值之財務預測及貼現率作出假設及判斷。誠如附註18及34所披露，業務合併中暫定確認的舉辦權及顧問服務合同為人民幣1,728,026,000元。

舉辦權及顧問服務合同之估計可用年期及減值

本集團管理層估計醫院舉辦權及顧問服務合同之可用年期無限制。此估計基於所有相關因素分析作出，如類似性質及功能使用預期年期、權利控制權期限及權利使用之法律或類似限制(包括透過舉辦權向舉辦醫院執行委員會委任代表以重續屆滿顧問服務合同的能力)，可用年期取決於醫院其他資產可用年期。基於此分析，本集團管理層認為權利預期為本集團產生淨現金流之期限無可預見限制。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Estimated useful lives and impairment of sponsorship rights and consulting services contracts (continued)

The carrying amounts of the sponsorship rights and consulting services contracts are reviewed to assess whether their recoverable amounts have declined below their carrying amounts annually. The recoverable amount is determined based on the value in use of the cash-generating unit to which the sponsorship rights and consulting services contracts have been allocated, which is the higher of the value in use or fair value less costs of disposals. The impairment calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit, which has been taken into account of the estimation of expected future cash flow of consulting services contracts, and a suitable discount rate in order to calculate the present value. Where the recoverable amount is less than its carrying amount, an impairment loss is recognized to write the assets down to its recoverable amount.

As at 31 December 2016, the carrying amounts of the sponsorship rights and consulting services contracts and the details of the recoverable amounts calculation are disclosed in Note 18.

Impairment of loan to a sponsored hospital, receivables from IOT Hospitals, trade receivables and other receivables

In determining whether there is objective evidence of impairment loss, the Group takes into consideration the financial strength of the sponsored hospital and the IOT Hospitals, the credit history of the customers and the current market condition. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Management reassesses the adequacy of impairment on a regular basis. Where the actual cash flows are less than expected, a material impairment loss may arise. The carrying amount of loan to a sponsored hospital, receivables from IOT Hospitals, trade receivables and other receivables are disclosed in Notes 7, 19, 26 and 27, respectively.

4. 重要會計判斷及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)

舉辦權及顧問服務合同之估計可用年期及減值 (續)

舉辦權及顧問服務合同之賬面值每年檢討，以評估其可收回金額是否減至低於賬面值。可收回金額基於獲分配舉辦權及顧問服務合同之現金產生單位使用價值（以使用價值與公允價值減出售成本間之較高者為準）釐定。減值計算要求本集團估計預期從現金產生單位產生之未來現金流（納入顧問服務合同預期未來現金流估計）及合適貼現率，以計算當前價值。倘可收回金額低於其賬面值，確認減值虧損以將資產調低至其可收回金額。

於2016年12月31日，舉辦權及顧問服務合同之賬面值及可收回金額計算詳情披露於附註18。

向一間舉辦醫院提供的貸款、來自IOT醫院之應收款項、應收貿易款項及其他應收款項的減值

在確定是否存在減值虧損的客觀證據時，本集團考慮舉辦醫院及IOT醫院的財務實力、客戶的信貸記錄以及當前市況。減值虧損金額按資產賬面值與估計未來現金流按金融資產的原實際利率貼現的現值之間的差額計量。管理層定期重新評估減值的充足性。倘實際現金流少於預期，則可能產生重大減值虧損。向一間舉辦醫院提供的貸款、來自IOT醫院之應收款項、應收貿易款項及其他應收款項的賬面值分別於附註7、19、26及27披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

5. REVENUE

Revenue represents income from general healthcare services, hospital management and consulting services, and sale of pharmaceuticals, medical devices and medical consumables under the GPO business, and professional medical consultation services under other hospital-derived services.

An analysis of the Group's revenue for the year is as follows:

5. 收益

收益指綜合醫療服務、醫院管理及諮詢服務以及在GPO業務中銷售藥品、醫療器械及醫療耗材，及其他醫院衍生業務下的專業醫療諮詢服務所產生的收入。

本集團年內的收益分析如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
General healthcare services	綜合醫療服務	600,892	575,634
Hospital management and consulting services	醫院管理及諮詢服務	116,386	72,112
GPO business	GPO業務	810,510	724,521
Other hospital-derived services	其他醫院衍生服務	5,043	—
		1,532,831	1,372,267

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION

The Board is 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 for each operating company separately. Accordingly, each operating company is identified as an operating segment. Certain operating companies are aggregated for segment reporting purpose after taking into account that those operating companies are operating in similar business model with similar target group of customers, similar methods used to distribute their products and under the same regulatory environment.

Before the completion of the Acquisition, the Group presented its reportable segments based on its internal organisations as follows,

- (i) General hospital services
Revenue from this segment is mainly derived from hospital services provided at Beijing Jian Gong Hospital Co., Ltd (北京市健宮醫院有限公司) (“Jian Gong Hospital”).
- (ii) Hospital management services
The Group provides comprehensive management services to hospitals under IOT agreements and receives from each IOT Hospital an annual fee.
- (iii) Supply chain business
The Group derives revenue from sales of pharmaceuticals, medical devices and medical consumables to Jian Gong Hospital, the IOT Hospitals and external customers.

Upon the completion of the Acquisition in the current year, the Company restructured its internal organisations. The fee income from Hong Hui Pharmaceutical Co., Ltd. (紅惠醫藥有限公司) (“Hong Hui”) and other suppliers arranged by Hong Hui was grouped as part of the hospital management services under hospital management and consulting services segment, which was previously grouped under the supply chain business segment. In addition, “general hospital services” segment, “hospital management services” segment and “supply chain business” segment were renamed as “general healthcare services” segment, “hospital management and consulting services” segment and “GPO business” segment, respectively. The reportable segments are changed as follows:

6. 分部資料

就資源分配及表現評估而言，董事會被確認為本集團主要營運決策者（「主要決策者」）。主要決策者將分別審閱每間營運公司的經營業績及財務資料。因此，每間營運公司均被確認為一個營運分部。經計及該等營運公司按類似業務模式營運、具有類似目標客戶群、使用類似方法分銷其產品及處於同等監管環境，為分部報告需要，若干營運公司會合併計算。

在收購完成之前，本集團的報告分部以如下的內部組織結構為基礎：

- (i) 綜合醫院服務
這個分部的收入主要來自於北京市健宮醫院有限公司（「健宮醫院」）提供的醫院服務。
- (ii) 醫院管理服務
本集團在IOT協議下向醫院提供綜合管理服務並向每間IOT醫院收取年費。
- (iii) 供應鏈業務
本集團獲得來自向健宮醫院、IOT醫院及外部客戶銷售藥品、醫療器械及醫療耗材的收益。

於本年度的收購完成後，本公司更改其內部組織結構。從紅惠醫藥有限公司（「紅惠」）及紅惠安排的其他供貨商的收費收入從先前的供應鏈業務分部更改為醫院管理及諮詢服務分部下醫院管理服務的一部分。另外，「綜合醫院服務」分部、「醫院管理服務」分部和「供應鏈業務」分部的名稱分別改為「綜合醫療服務」分部、「醫院管理及諮詢服務」分部和「GPO業務」分部。報告分部更改如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued)

- (i) General healthcare services
Revenue from this segment is mainly derived from hospital services provided at Jian Gong Hospital and 999 Medical Clinic (Shenzhen) Co., Ltd (“999 Clinic”) (“三九醫療門診部(深圳)有限責任公司”).
- (ii) Hospital management and consulting services
The Group provides comprehensive management and consulting services to IOT Hospitals and Sponsored Hospitals and receives from each IOT Hospital and each Sponsored Hospital an annual fee. The Group also receives fee income from Hong Hui and other suppliers arranged by Hong Hui.
- (iii) GPO business
The Group derives revenue from sales of pharmaceuticals, medical devices and medical consumables to Jian Gong Hospital, the IOT Hospitals and external customers.
- (iv) Other hospital-derived services
It mainly represented professional medical consultation service provided to third parties.

In preparation of the consolidated financial statements, the segment information for the year ended 31 December 2015 has been restated to confirm with the current year presentation.

6. 分部資料 (續)

- (i) 綜合醫療服務
此分部收益主要來自在健宮醫院及三九醫療門診部(深圳)有限責任公司(「三九門診部」)提供的醫院服務。
- (ii) 醫院管理及諮詢服務
本集團向IOT醫院及舉辦醫院提供綜合管理及諮詢服務並向每間IOT醫院及每間舉辦醫院收取年費。本集團亦從紅惠及紅惠安排的其他供貨商獲得收費收入。
- (iii) GPO業務
本集團獲得來自向健宮醫院、IOT醫院及外部客戶銷售藥品、醫療器械及醫療耗材的收益。
- (iv) 其他醫院衍生服務
其主要指提供予第三方的專業醫療諮詢服務。

於編製綜合財務報表時，截至2015年12月31日止年度之分部資料已予重述，以符合本年度之呈列方式。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued)

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

Segment revenue, results, assets and liabilities

6. 分部資料 (續)

有關本集團可報告分部的分部資料呈列如下。

分部收益、業績、資產及負債

		General healthcare services 綜合 醫療服務 RMB'000 人民幣千元	Hospital management and consulting services 醫院管理 及諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Other hospital- derived services 其他醫院 衍生服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
For year ended	截至2016年					
31 December 2016	12月31日止年度					
External revenues	外部收益	600,892	116,386	810,510	5,043	1,532,831
Inter-segment revenue	分部間收益	-	-	200,824	-	200,824
Segment revenue	分部收益	600,892	116,386	1,011,334	5,043	1,733,655
Eliminations	對銷					(200,824)
Consolidated revenue	綜合收益					1,532,831
Segment results	分部業績	39,241	116,797	177,553	946	334,537
Share of loss of an associate	應佔一間聯營公司虧損					(241)
Unallocated share of loss of a joint venture	未分配應佔一間合營公司虧損					(13,547)
Unallocated interest and investment income	未分配利息及投資收益					25,004
Impairment loss on goodwill	商譽減值虧損					(1,727,499)
Share-based payment expense	以股份付款之費用					(23,298)
Finance cost	財務費用					(342)
Foreign exchange gain	匯兌收益					2,016
Other unallocated expense	其他未分配開支					(49,111)
Loss before tax	稅前虧損					(1,452,481)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued) Segment revenue, results, assets and liabilities (continued)

6. 分部資料 (續) 分部收益、業績、資產及負債 (續)

		General healthcare services 綜合 醫療服務 RMB'000 人民幣千元	Hospital management and consulting services 醫院管理 及諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Other hospital- derived services 其他醫院 衍生服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 31 December 2016	於2016年12月31日					
Segment assets	分部資產	557,226	2,980,420	257,642	2,457	3,797,745
Goodwill	商譽					1,463,611
Cash and cash equivalent and certificate of deposit	現金及現金等價物 及存款證					1,122,274
Unallocated short-term investment	未分配短期投資					66,400
Interest in an associate	於一間聯營公司之權益					163,338
Unallocated interest in a joint venture	於一間合營公司之 未分配權益					7,487
Other unallocated assets	其他未分配資產					1,279
Elimination of inter-segment receivables	分部間應收款項對銷					(173,798)
Consolidated assets	綜合資產					6,448,336
Segment liabilities	分部負債	149,010	828,706	268,825	1,390	1,247,931
Other unallocated liabilities	其他未分配負債					16,673
Elimination of inter-segment payables	分部間應付款項對銷					(173,798)
Consolidated liabilities	綜合負債					1,090,806
Other segment information	其他分部資料					
<i>Amounts included in the measure of segment results or segment assets:</i>	<i>計量分部業績或分部 資產時計入之金額：</i>					
Addition to non-current assets (Note)	添置非流動資產 (附註)	130,644	1,757,753	6,979	-	1,895,376
Depreciation and amortisation	折舊及攤銷	28,538	21,710	768	-	51,016
Loss on disposal of property, plant and equipment, net	處置物業、廠房及 設備之淨虧損	437	-	128	-	565
Interest income	利息收入	-	(13,631)	-	-	(13,631)
<i>Amounts regularly provided to the CODM but not included in the measure of segment results or segment assets:</i>	<i>定期向主要決策者 提供但不計入 分部業績或分部 資產計量的金額：</i>					
Interest in an associate	於一間聯營公司之權益	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	163,338
Interest in a joint venture	於一間合營公司之權益	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	7,487
Share of loss of an associate	應佔一間聯營公司虧損	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	241
Share of loss of a joint venture	應佔一間合營公司虧損	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	13,547
Share-based payment expense	以股份付款之費用	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	23,298
Finance cost	財務費用	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	342
Foreign exchange gain	匯兌收益	N.A. 不適用	N.A. 不適用	N.A. 不適用	N.A. 不適用	(2,016)
Income tax expense	所得稅開支	2,044	1,165	43,788	334	47,331

Note: Non-current assets consist of property, plant and equipment, and intangible assets.

附註：非流動資產包括物業、廠房及設備以及無形資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued) Segment revenue, results, assets and liabilities (continued)

6. 分部資料 (續) 分部收益、業績、資產及負債 (續)

		General healthcare services 綜合醫療服務 RMB'000 人民幣千元	Hospital management and consulting services 醫院管理及 諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
For year ended 31 December 2015 (restated)	截至2015年12月31日 止年度(重述)				
External revenues	外部收益	575,634	72,112	724,521	1,372,267
Inter-segment revenue	分部間收益	-	-	200,921	200,921
Segment revenue	分部收益	575,634	72,112	925,442	1,573,188
Eliminations	對銷				(200,921)
Consolidated revenue	綜合收益				1,372,267
Segment results	分部業績	40,204	95,500	159,549	295,253
Share of profit of an associate	應佔一間聯營 公司利潤				1,008
Gain on deemed disposal of an associate	視為出售一間 聯營公司收益				5,163
Unallocated share of loss of a joint venture	未分配應佔一間 合營公司虧損				(2,809)
Unallocated interest and investment income	未分配利息及 投資收益				38,257
Share-based payment expense	以股份付款之費用				(41,762)
Finance cost	財務費用				(27,375)
Foreign exchange loss	匯兌損失				(3,397)
Other unallocated expense	其他未分配開支				(16,370)
Profit before tax	稅前利潤				247,968

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued) Segment revenue, results, assets and liabilities (continued)

6. 分部資料 (續) 分部收益、業績、資產及負債 (續)

		General healthcare services 綜合醫療服務 RMB'000 人民幣千元	Hospital management and consulting services 醫院管理及 諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 31 December 2015 (restated)	於2015年12月31日 (重述)				
Segment assets	分部資產	488,232	619,566	275,665	1,383,463
Cash and cash equivalent and certificate of deposit	現金及現金等價物及存款證				938,548
Unallocated short-term investments	未分配短期投資				29,990
Interest in an associate	於一間聯營公司之權益				154,995
Unallocated interest in a joint venture	於一間合營公司之未分配權益				-
Loan to a joint venture	向一間合營公司貸款				6,361
Other unallocated assets	其他未分配資產				5,022
Elimination of inter-segment receivables	分部間應收款項對銷				(262,910)
Consolidated assets	綜合資產				2,255,469
Segment liabilities	分部負債	116,015	225,751	229,234	571,000
Other unallocated liabilities	其他未分配負債				84,647
Elimination of inter-segment payables	分部間應付款項對銷				(262,910)
Consolidated liabilities	綜合負債				392,737
Other segment information	其他分部資料				
<i>Amounts included in the measure of segment results or segment assets:</i>	<i>計量分部業績或分部資產時計入之金額:</i>				
Addition to non-current assets (Note)	添置非流動資產 (附註)	26,909	64,945	1,131	92,985
Depreciation and amortisation	折舊及攤銷	25,076	18,977	584	44,637
Loss on disposal of property, plant and equipment, net	處置物業、廠房及設備之淨虧損	200	16	-	216
Interest income	利息收入	-	(10,306)	-	(10,306)
<i>Amounts regularly provided to the CODM but not included in the measure of segment results or segment assets:</i>	<i>定期向主要決策者提供但不計入分部業績或分部資產計量的金額:</i>				
Interest in an associate	於一間聯營公司之權益	N.A. 不適用	N.A. 不適用	N.A. 不適用	154,995
Interest in a joint venture	於一間合營公司之權益	N.A. 不適用	N.A. 不適用	N.A. 不適用	-
Loan to a joint venture	向一間合營公司貸款	N.A. 不適用	N.A. 不適用	N.A. 不適用	6,361
Share of profit of an associate	應佔一間聯營公司利潤	N.A. 不適用	N.A. 不適用	N.A. 不適用	(1,008)
Share of loss of a joint venture	應佔一間合營公司虧損	N.A. 不適用	N.A. 不適用	N.A. 不適用	2,809
Share-based payment expense	以股份付款之費用	N.A. 不適用	N.A. 不適用	N.A. 不適用	41,762
Finance cost	財務費用	N.A. 不適用	N.A. 不適用	N.A. 不適用	27,375
Foreign exchange loss	匯兌損失	N.A. 不適用	N.A. 不適用	N.A. 不適用	3,397
Income tax expense	所得稅開支	11,362	10,929	53,263	75,554

Note: Non-current assets consist of property, plant and equipment, and intangible assets.

附註：非流動資產包括物業、廠房及設備以及無形資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued) Segment revenue, results, assets and liabilities (continued)

Segment revenue reported above represents revenue generated from both external and inter-segment customers. The inter-segment transactions are charged at regulated price for the sales of pharmaceutical, medical devices and medical consumables.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment results represent the (loss) profit before tax earned by each segment, without allocation of impairment loss on goodwill, share of (profit) loss of an associate, gain on deemed disposal of an associate, unallocated share of loss of a joint venture, certain interest and investment income, finance cost, share-based payment expense, foreign exchange gain (loss) and corporate expenses 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 are allocated to operating segments other than goodwill, cash and cash equivalents, certificate of deposit, unallocated short-term investments, interest in an associate, unallocated interest in a joint venture and certain assets of the Company and overseas subsidiaries. All liabilities are allocated to operating segments other than liabilities of the Company and overseas subsidiaries.

Income tax expenses have been allocated among the segments as additional information regularly provided to the management but not included in the measure of segment result while the relevant tax payables have been allocated into the segment liabilities.

6. 分部資料 (續) 分部收益、業績、資產及負債 (續)

上述報告之分部收益指外部及分部間客戶所產生的收益。分部間交易按銷售藥品、醫療器械及醫療耗材之調節價格收取。

營運分部之會計政策與附註3說明的本集團會計政策相同。分部業績指各分部所賺取的稅前(虧損)利潤(並無分配與各分部並無直接關係的商譽減值虧損、應佔一間聯營公司(利潤)虧損、視為出售一間聯營公司收益、未分配應佔一間合營公司虧損、若干利息及投資收益、財務費用、以股份付款之費用、匯兌收益(損失)及企業開支)，亦即主要決策者定期審閱的內部產生財務資料。此乃出於資源配置及評估分部表現之目的向主要決策者彙報的計量。

為監控分部表現及分配分部間資源，本公司及海外附屬公司的商譽、現金及現金等價物、存款證、未分配短期投資、於一間聯營公司之權益、於一間合營公司之未分配權益及若干資產以外之所有資產分配至營運分部。本公司及海外附屬公司負債以外之所有負債亦分配至營運分部。

所得稅開支已作為定期向管理層提供但不納入分部業績計量的其他資料在各分部間進行分配，而相關應繳稅金已分配至分部負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. SEGMENT INFORMATION (continued) Geographical information

No geographical information is presented as all of the Group's revenue is derived from activities in the PRC. The Group's operations and non-current assets are located in the PRC, except for interest in an associate with carrying amount of RMB163,338,000 as at 31 December 2016 (2015: RMB154,995,000), which principal place of business is in Hong Kong.

Information about major customers

Revenue from the customers, including revenue from hospital management and consulting services and GPO business (details of the major customers' revenue by segment are disclosed in Note 7), contributing over 10% of the total revenue of the Group during both years is as follows:

6. 分部資料 (續) 地區資料

由於本集團的所有收益均源於在中國開展的業務，所以並無呈報任何地區資料。本集團的營運和非流動資產均位於中國，惟於2016年12月31日賬面值人民幣163,338,000元（2015年：人民幣154,995,000元）的於一間聯營公司（主要營業地點位於香港）之權益除外。

主要客戶資料

兩個年度內來自對本集團總收益貢獻超過10%的客戶之收益（包括來自醫院管理及諮詢服務與GPO業務的收益（按分部劃分的來自主要客戶的收益詳情於附註7披露））如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Beijing Jing Mei Hospital Group (北京京煤集團總醫院) ("Jing Mei Hospital")	北京京煤集團總醫院 (「京煤醫院」)	344,073	300,908
Beijing Yan Hua Hospital (北京燕化醫院) ("Yan Hua Hospital")	北京燕化醫院 (「燕化醫院」)	313,872	280,368
Beijing Mentougou Hospital (北京市門頭溝區醫院) ("Mentougou Hospital")	北京市門頭溝區醫院 (「門頭溝區醫院」)	164,373	139,791

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS

The Group entered into IOT agreements with the contributors of IOT Hospitals, including Yan Hua Hospital, Jing Mei Hospital, Mentougou Hospital, Beijing Mentougou Traditional Chinese Medicine Hospital (北京市門頭溝區中醫醫院) (“Mentougou TCM Hospital”), Beijing Mentougou Hospital for Women and Children (北京市門頭溝區婦幼保健院) (“Mentougou Hospital for Women and Children”) Airport Hospital of Shunyi District (北京市順義區空港醫院) (“Airport Hospital”) and Shunyi District No.2 Hospital (北京市順義區第二醫院) (the “No.2 Hospital”) (collectively referred to as the “Shunyi Hospital”), Third Center Hospital of Baoding City (保定市第三中心醫院) (“Third Center Hospital”) and First Center Hospital of Baoding City (保定市第一中心醫院) (“First Center Hospital”) (collectively referred to as the “Baoding Hospital”). Pursuant to the IOT agreements, the Group is committed to provide (i) investment amounts to the IOT Hospitals that will be repaid back to the Group (the “Repayable Investment Amounts”) or (ii) investment amounts to the contributors of the IOT Hospitals that will not be returned to the Group in return for the operating rights of the IOT Hospitals over periods ranging from 16 to 48 years, subject to other conditions set out in the IOT agreements. Under the IOT agreements, the Group operates and provides management services to the IOT Hospitals and derive management fee based on pre-set formulas set out in the IOT agreements.

Upon completion of the Acquisition as disclosed in Note 1, the Group owns 100% equity interests in (i) China Resources Hospital Holding Company (“CR Hospital Holding”, “華潤醫院控股有限公司”), which is the sponsor for Huaibei Miner General Hospital Group (“Huaikuang Hospital Group”, “淮北礦工總醫院集團”) and Xuzhou Mining Hospital (“Xukuang Hospital”, “徐州市礦山醫院”), (ii) Shenzhen Yukangrun Hospital Management Co. Ltd (“Shenzhen Yukangrun”, “深圳市裕康潤醫院管理有限公司”), which is the sponsor for Guangdong 999 Brain Hospital (“Brain Hospital”, “廣東三九腦科醫院”). Such Sponsored Hospitals entered into consulting service contracts with China Resources Hospital Investment (China) Co., Ltd (“CR Hospital Investment”, “華潤醫院投資(中國)有限公司”) as disclosed in Note 7(vi). Pursuant to the consulting service contracts, the Group commits to provide consulting services to the Sponsored Hospitals. In return, the Group charges the Sponsored Hospitals service fees based on pre-set formulas set out in the consulting services contracts.

7. IOT安排／與舉辦醫院的顧問服務安排

本集團與IOT醫院(包括燕化醫院、京煤醫院、門頭溝區醫院、北京市門頭溝區中醫醫院(「門頭溝區中醫醫院」)、北京市門頭溝區婦幼保健院(「門頭溝區婦幼保健院」)、北京市順義區空港醫院(「空港醫院」)與北京市順義區第二醫院(「第二醫院」)(統稱「順義醫院」、保定市第三中心醫院(「第三中心醫院」)及保定市第一中心醫院(「第一中心醫院」)(統稱「保定醫院」)的出資方訂立IOT協議。根據IOT協議,本集團承諾(i)向IOT醫院提供將歸還本集團的投資金額(「須償還投資金額」)或(ii)向IOT醫院的出資方提供不會退還予本集團的投資金額,以換取IOT醫院介乎16至48年間的經營權,惟須待達成IOT協議中載列的其他條件方可作實。根據IOT協議,本集團營運IOT醫院、並向其提供管理服務,並收取按IOT協議所載列的預定公式計算的管理費。

附註1披露之收購完成後,本集團擁有(i)淮北礦工總醫院集團(「淮礦醫院集團」)及徐州市礦山醫院(「徐礦醫院」)之舉辦方華潤醫院控股有限公司(「華潤醫院控股」), (ii)廣東三九腦科醫院(「腦科醫院」)之舉辦方深圳市裕康潤醫院管理有限公司(「深圳裕康潤」)之100%股權。該等舉辦醫院與華潤醫院投資(中國)有限公司(「華潤醫院投資」)訂立顧問服務合同,如附註7(vi)所披露。根據顧問服務合同,本集團承諾向舉辦醫院提供顧問服務。而本集團基於顧問服務合同所載之預定公式向舉辦醫院收取服務費。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(i) The amount of management fee and consulting services fee received/receivable by the Group from the IOT hospitals and the Sponsored Hospitals and revenue derived from GPO business to the IOT Hospitals during both years are as follows:

For the year ended 31 December 2016

		Hospital management and consulting services 醫院管理及諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
IOT Hospitals	IOT醫院	94,817	806,037	900,854
The Sponsored Hospitals	舉辦醫院	21,569	-	21,569
		116,386	806,037	922,423

For the year ended 31 December 2015

截至2015年12月31日止年度

		Hospital management and consulting services 醫院管理及諮詢服務 RMB'000 人民幣千元	GPO business GPO業務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
IOT Hospitals	IOT醫院	72,112	719,561	791,673

7. IOT安排／與舉辦醫院的顧問服務安排 (續)

(i) 於兩個年度內本集團已收／應收IOT醫院及舉辦醫院的管理費及顧問服務費及向IOT醫院提供GPO業務所得收益如下：

截至2016年12月31日止年度

截至2015年12月31日止年度

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(ii) The amount of trade receivables with the IOT Hospitals and the Sponsored Hospitals (including amounts due from related parties), receivables from IOT Hospitals and loan to a sponsored hospital at the end of the reporting period are as follows:

7. IOT安排／與舉辦醫院的顧問服務安排 (續)

(ii) 於各報告期末來自IOT醫院及舉辦醫院的應收貿易款項（包括應收關聯方款項），來自IOT醫院之應收款項及向一間舉辦醫院提供的貸款如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Trade receivables:	應收貿易款項：		
IOT Hospitals	IOT醫院	271,627	179,796
The Sponsored Hospitals	舉辦醫院	26,749	—
		298,376	179,796
Receivables from the IOT Hospitals:	來自IOT醫院之應收款項：		
IOT Hospitals	IOT醫院	127,842	116,400
Less: current portion included in prepayments and other receivables (Note 27)	減：計入預付款項及其他應收款項之即期部分（附註27）	(14,838)	(13,341)
Non-current portion (Note 19)	非即期部分（附註19）	113,004	103,059
			As at 31 December 2016 於2016年12月31日 RMB'000 人民幣千元
Loan to a sponsored hospital (Note)	向一間舉辦醫院提供的貸款（附註）		47,761

Note: In November 2014, CR Hospital Investment and Xukuang Hospital entered into a three-year loan agreement. Pursuant to the agreement, the loan bears the prevailing three-year bank loan interest rate plus 2%. The interest will be paid on its maturity.

附註：於2014年11月，華潤醫院投資及徐礦醫院訂立一份三年貸款協議。根據協議，該貸款按通行三年期銀行貸款利率加2%計息。有關利息將於到期時支付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(iii) The amount of payables to the Sponsored Hospitals at the end of 2016 are as follows:

7. IOT安排／與舉辦醫院的顧問服務安排 (續)

(iii) 於2016年年末應付舉辦醫院款項如下：

		As at 31 December 於2016年12月31日 RMB'000 人民幣千元
Loans from the Sponsored Hospitals (Note a)	來自舉辦醫院的貸款 (附註a)	109,344
Amounts due to the Sponsored Hospitals (Note b)	應付舉辦醫院款項 (附註b)	260,000
		369,344

Notes:

- a. Loans from the Sponsored Hospitals are unsecured, bearing interest at 0.35% per annum and repayable on demand.
- b. The balances are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

附註：

- a. 來自舉辦醫院的貸款為無擔保、按年利率0.35%計息及須應要求償還。
- b. 結餘為非貿易性質、無擔保、免息及須應要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(iv) The carrying amount of operating rights and the sponsorship rights and consulting services contracts, classified as intangible assets (Note 18) at the end of the reporting period are as follows:

The carrying amount of operating rights:

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
IOT Hospitals	IOT醫院	404,336	404,569

The carrying amount of the sponsorship rights and consulting services contracts (Note 34):

舉辦權及顧問服務合同(附註34)的賬面值如下:

		As at 31 December 於2016年12月31日 RMB'000 人民幣千元
The Sponsored Hospitals	舉辦醫院	1,728,026

7. IOT安排／與舉辦醫院的顧問服務安排(續)

(iv) 於報告期末分類為無形資產(附註18)的經營權及舉辦權及顧問服務合同的賬面值如下:

經營權賬面值如下:

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(v) Details of the IOT agreements

Shunyi Hospital

On 28 May 2015, the Group entered into an IOT agreement with Shunyi District Government of Beijing (北京市順義區政府), which is the contributor of Airport Hospital & the No.2 Hospital, and obtained the operating right of Airport Hospital and the No.2 Hospital with a period of 20 years from 2016 to 2035. Under the IOT agreement, the Group made Repayable Investment Amounts of RMB100 million to Airport Hospital and the No.2 Hospital in 2015, which will be repaid to the Group in equal annual instalments during the tenure of the IOT arrangement.

Baoding Hospital

On 15 September 2015, the Group entered into IOT agreement with the People's Government of Baoding, Hebei Province (河北保定市人民政府) ("Baoding Government"), which is the contributor of Third Center Hospital, and obtained the operating right of Third Center Hospital with a period of 20 years from 2016 to 2035. Under the IOT agreement, the Group commits to make Repayable Investment Amounts of RMB70 million to Third Center Hospital in 2016, which will be repaid to the Group in equal annual instalments during the tenure of the IOT arrangement. In the meantime, the Group intends to establish a special purpose charity fund of RMB20 million subject to the investment progress of Third Centre Hospital in order to support the commencement of provision of Huimin (beneficial to the people) healthcare services by Third Center Hospital. During 2016, the Group had contributed RMB3 million to the fund which has been established this year and made Repayable Investment Amounts of RMB32 million to Third Center Hospital. In addition, in 2015, the group entered into another IOT agreement with Baoding Government regarding First Center Hospital. As at 31 December 2016, the relevant investment had not been made.

7. IOT安排／與舉辦醫院的顧問服務安排 (續)

(v) IOT協議詳情

順義醫院

於2015年5月28日，本集團與北京市順義區政府（空港醫院及第二醫院的出資方）訂立IOT協議，並取得空港醫院及第二醫院的經營權，自2016年至2035止為期20年。根據IOT協議，本集團於2015年向空港醫院及第二醫院作出金額為人民幣100百萬元的須償還投資金額，有關款項將於IOT安排期內按每年等額分期向本集團作出償還。

保定醫院

於2015年9月15日，本集團與第三中心醫院之出資方河北保定市人民政府（「保定政府」）訂立IOT協議，並取得第三中心醫院的經營權，自2016年至2035止為期20年。根據IOT協議，本集團承諾於2016年向第三中心醫院作出金額為人民幣70百萬元的須償還投資金額，有關款項將於IOT安排期內按每年等額分期向本集團作出償還。同時，本集團有意視乎第三中心醫院的投資進度而設立人民幣20百萬元的特殊目的慈善基金，支持第三中心醫院開始提供惠民醫療服務。於2016年，本集團已向該年度成立之基金出資人民幣3百萬元的捐款，及向第三中心醫院作出人民幣32百萬元的須償還投資金額。另外，2015年本集團與保定政府訂立另一份關於第一中心醫院的IOT協議，截至2016年12月31日，相關投資事項尚未敲定。

7. IOT ARRANGEMENTS/CONSULTING SERVICES ARRANGEMENT WITH SPONSORED HOSPITALS (continued)

(vi) Details of the Consulting Services Arrangement with the Sponsored Hospitals

Xukuang Hospital

Xukuang Hospital is a not-for-profit hospital organised in Jiangsu Province, the PRC. In September 2015, CR Hospital Investment, an indirect wholly-owned subsidiary of Ample Mighty entered into a service contract with Xukuang Hospital which has been terminated and replaced by a new consulting service contract which took effect from 24 December 2015.

Huaikuang Hospital Group

Huaikuang Hospital Group is a not-for-profit hospital organised in Jiangsu Province. CR Hospital Investment entered into a consulting services contract with Huaikuang Hospital Group which took effect as from 1 May 2016.

Brain Hospital

Brain Hospital is a not-for-profit hospital organised in Guangdong Province, the PRC. CR Hospital Investment entered into a consulting services contract with Brain Hospital, which took effect as from 1 May 2016.

All the consulting services contracts have an initial term of 20 years and are on largely the same terms and conditions, save for contracting parties and effective dates.

7. IOT安排／與舉辦醫院的顧問服務安排 (續)

(vi) 與舉辦醫院顧問服務安排詳情

徐礦醫院

徐礦醫院是一間於中國江蘇省成立之非營利醫院。於2015年9月，華潤醫院投資（廣雄的間接全資附屬公司）與徐礦醫院訂立一份服務合約，該合約已終止及由2015年12月24日起生效之全新顧問服務合同替代。

淮礦醫院集團

淮礦醫院集團是一間於江蘇省成立之非營利醫院。華潤醫院投資與淮礦醫院集團訂立一份顧問服務合同，合約於2016年5月1日起生效。

腦科醫院

腦科醫院是一間於中國廣東省成立之非營利醫院。華潤醫院投資與腦科醫院訂立一份顧問服務合同，合同於2016年5月1日起生效。

所有顧問服務合同初始期限為20年，除訂約方及生效日期外合約條款及條件大致相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

8. OTHER INCOME

8. 其他收入

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Fee income from suppliers (Note)	來自供應商之收費收入 (附註)	50,399	48,640
Interest and investment income on:	利息及投資收益：		
financial products	金融產品	21,951	33,828
receivables from IOT Hospitals	來自IOT醫院之應收款項	13,163	10,306
bank deposits	銀行存款	3,053	4,429
loan to a sponsored hospital	向一間舉辦醫院提供的貸款	468	–
Government grant	政府補助	40	4
Others	其他	4,110	1,883
		93,184	99,090

Note: On 10 January 2012, the Group entered into a one-year supply agreement with its supplier, Hong Hui, for the supply of pharmaceuticals to Jian Gong Hospital, Yan Hua Hospital and Jing Mei Hospital. The agreement was renewed annually from then on. Under the supply agreement, Hong Hui arranged itself or other suppliers to supply pharmaceuticals to Jian Gong Hospital, Yan Hua Hospital and Jing Mei Hospital through the subsidiaries of the Group or directly to these three hospitals. In consideration of granting to Hong Hui the priority to supply pharmaceuticals to these three hospitals, Hong Hui agrees to pay the Group an amount calculated based on a percentage of the total pharmaceutical purchases made by Jian Gong Hospital, Yan Hua Hospital and Jing Mei Hospital (the "Minimum Economic Benefit"). The fee income represents the difference between the amount of the Minimum Economic Benefit and the gross profit generated by the Group from the sale of pharmaceuticals to the three hospitals. The fee income was received/receivable from Hong Hui or from other suppliers as arranged by Hong Hui.

附註：於2012年1月10日，本集團與其供應商紅惠訂立一份為期一年之供應協議，為健宮醫院、燕化醫院以及京煤醫院供應藥品。該協議其後每年續期一次。根據該供應協議，紅惠安排自行或由其他供應商透過本集團之附屬公司為健宮醫院、燕化醫院以及京煤醫院供應藥品或直接向該三家醫院供應藥品。作為授予紅惠優先權以向該三家醫院供應藥品之代價，紅惠同意向本集團支付一筆按健宮醫院、燕化醫院及京煤醫院總藥品採購量（「最低經濟利益」）的一定百分比計算之金額。收費收入指最低經濟利益金額與本集團從向該三家醫院銷售藥品所獲得毛利之間的差額。收費收入為已收／應收紅惠或紅惠安排之其他供應商之款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

9. OTHER GAINS AND LOSSES

9. 其他收益及虧損

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Foreign exchange gain (loss)	匯兌收益(損失)	2,016	(3,397)
Impairment losses on goodwill (Note 21)	商譽減值虧損(附註21)	(1,727,499)	-
Fair value changes of mutual funds	共同基金公允價值之變動	(2,645)	(156)
Loss on disposal of property, plant and equipment	處置物業、廠房及 設備之虧損	(565)	(216)
Gain on deemed disposal of an associate (Note 22)	視為出售一間聯營公司 收益(附註22)	-	5,163
		(1,728,693)	1,394

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

10. FINANCE COSTS

10. 財務費用

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Transaction cost of the syndicated loan (Note)	銀團貸款之交易成本 (附註)	-	27,375
Interests on payables to the Sponsored Hospitals	應付舉辦醫院款項之利息	342	-
		342	27,375

Note: On 4 February 2015, the Company as borrower entered into the syndicated loan agreement under which the Company was granted a facility in the aggregate sum of US\$150 million, with a repayment term of 3 years (which is extendable for another 2 years after the initial 3-year term), the interest rate of which is determined with reference to the three-month LIBOR plus 3.15% per annum ("Syndicated Loan Agreement"). The syndicate under the Syndicated Loan Agreement is led by Deutsche Bank AG, with participation from a consortium of other banks (the "Lenders"). The facility will be guaranteed by existing offshore subsidiaries and future offshore subsidiaries of the Company and secured by first priority perfected security interests over 100% of the shares of the subsidiaries and etc. in favour of the security agent on behalf of the Lenders. Due to the instability of the foreign exchange market in 2015, the Directors decided to terminate the Syndicated Loan Agreement with the Lenders by a friendly negotiation in advance. The loan has never been drawn down. Transaction cost in relation to the syndicated loan amounting to RMB27,375,000 has been recognised in the profit or loss for the year ended 31 December 2015. As the Syndicated Loan Agreement was terminated, the procedures for discharging the above charges and pledges were completed in 2016.

附註：於2015年2月4日，本公司（作為借款方）訂立銀團貸款協議，據此，本公司獲授予共150百萬美元融資，還款期為3年（可於初始3年期限屆滿後另行延長2年）及按3個月期倫敦銀行同業拆息加3.15%之年利率計息（「銀團貸款協議」）。銀團貸款協議項下之銀團由德意志銀行牽頭，由其他銀行組團參與（「貸款方」）。該項融資將由本公司現有離岸附屬公司及日後離岸附屬公司保證，並以擔保代理（代表貸款人）為受益人由附屬公司100%股份的第一優先抵押權益等擔保。因2015年外匯市場不穩定，董事決定透過友好協商與貸款方提前終止銀團貸款協議。該筆貸款未曾提取。有關銀團貸款之交易成本人民幣27,375,000元已於截至2015年12月31日止年度之損益確認。由於銀團貸款協議已終止，解除上述押記及質押之手續已於2016年完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

11. OTHER EXPENSES

11. 其他費用

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Transaction cost in relation to major transactions	就主要交易支付之交易成本	30,063	—
Medical disputes expenditure	醫療糾紛開支	199	933
Donation	捐贈	5,000	2,030
Others	其他	363	37
		35,625	3,000

12. INCOME TAX EXPENSE

12. 所得稅開支

Income tax expense recognised in profit or loss:

於損益確認之所得稅開支：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current tax:	即期稅項：		
PRC enterprise income tax ("EIT")	中國企業所得稅 (「企業所得稅」)	47,240	74,508
Deferred tax (Note 24)	遞延稅 (附註24)	91	1,046
Total income tax recognised in profit or loss	於損益確認之所得稅總額	47,331	75,554

The PRC subsidiaries of the Group are subject to EIT at 25% during both years.

本集團之中國附屬公司於兩個年度內均須按25%繳納企業所得稅。

No provision for Hong Kong Profits Tax has been made as the Group did not have assessable profits subject to Hong Kong Profits Tax during both years.

由於本集團於兩個年度內並無須繳納香港利得稅之應課稅利潤，因此並無計提香港利得稅撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

12. INCOME TAX EXPENSE (continued)

The tax charge for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅開支 (續)

年度稅費可與綜合損益及其他全面收入報表之稅前(虧損)利潤對賬如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
(Loss) profit before tax	稅前(虧損)利潤	(1,452,481)	247,968
Tax calculated at statutory tax rates of 25% (2015: 25%)	按25% (2015年: 25%) 法定稅率計算之稅金	(363,120)	61,992
Tax effect of share of loss (profit) of an associate	分佔一間聯營公司虧損 (利潤)之稅務影響	60	(252)
Tax effect of share of loss of joint ventures	分佔合營企業虧損之稅務影響	3,834	702
Tax effect of different tax rates on intra-group interest income/interest expense	不同稅率對集團內公司間利息 收入/利息開支之稅務影響	-	(2,745)
Tax effect of income not taxable for tax purpose	不可課稅收入之稅務影響	(39,457)	(1,291)
Tax effect of expenses not deductible for tax purposes	就課稅目的不可課稅開支 之稅務影響	436,807	10,933
Effect of different tax rates of overseas companies	海外公司不同稅率之影響	14,669	6,215
Utilisation of tax losses previously not recognised	動用未曾確認之稅務虧損	(5,462)	-
Income tax expense	所得稅開支	47,331	75,554

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

13. (LOSS) PROFIT FOR THE YEAR

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

13. 年度（虧損）利潤

本集團之年度（虧損）利潤經扣除以下各項後得出：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	28,495	23,873
Amortisation of lease prepayments for land use right	土地使用權租賃預付款攤銷	3,375	3,375
Amortisation of intangible assets (Included in cost of sales and services)	無形資產攤銷 (計入銷售及服務成本)	19,146	17,389
Total depreciation and amortisation	折舊及攤銷總額	51,016	44,637
Cost of inventories recognised as expense	確認為開支之存貨成本	947,386	884,112
Operating lease rentals in respect of rented premises	租賃場所之經營租賃租金	4,309	4,911
Directors' emoluments (Note 14)	董事酬金（附註14）	21,197	15,676
Other staff cost	其他員工成本		
Salaries and other allowances	薪金與其他津貼	182,075	149,541
Retirement benefit contributions	退休福利供款	13,133	10,986
Equity-settled share-based payment expense	按權益結算以股份付款之費用	23,298	33,582
Total staff costs	員工成本總額	239,703	209,785
Auditor's remuneration	核數師酬金	3,350	2,500

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND FIVE HIGHEST PAID INDIVIDUALS

14.1 Executive directors, chief executive and non-executive directors

The emoluments paid or payable to each of the seventeen (2015: twelve) directors and the chief executive were as follows:

14. 董事、行政總裁及五位最高薪人士之酬金

14.1 執行董事、行政總裁及非執行董事

分別已付或應付17名(2015年: 12名)董事及行政總裁之酬金如下:

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

	Directors' fee	Salaries and allowances	Retirement benefit scheme	Total
	董事袍金	薪金與津貼	退休福利計劃供款	合計
	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:				
Mr. Liang Hongze (梁洪澤先生) (Note i) (Note iii)		3,438	32	3,470
Ms. Xu Jie (徐捷女士) (Note i) (Note iii)		2,607	32	2,639
Mr. Xu Zechang (徐澤昌先生) (Note iii) (Note iv)		2,576	32	2,608
Mr. Jiang Tianfan (江天帆先生) (Note iii)		2,737	32	2,769
Mr. Zhang Xiaodan (張曉丹先生) (Note iv)		2,774	32	2,806
Mr. Shan Baojie (單寶傑先生) (Note ii) (Note iii)		2,358	32	2,390
Mr. Cheng Libing (成立兵先生) (Note ii)		2,740	32	2,772
Mr. Wu Potao (吳珀濤先生) (Note iii)		617	6	623
Non-executive directors:				
Mr. Yang Huisheng (楊輝生先生) (Note ii)		-	-	-
Mr. Rui Wei (芮偉先生) (Note ii)		-	-	-
Mr. Wang Yin (王印先生) (Note iii)		-	-	-
Mr. Wang Yan (王彥先生) (Note iii)		-	-	-
Mr. He Xuan (賀旋先生) (Note iii)		-	-	-
Mr. Liang Hongze (梁洪澤先生) (Note iii)		-	-	-
Independent non-executive directors:				
Mr. Kwok Kong Kwong (鄺國光先生)	400	-	-	400
Ms. Cheng Hong (程紅女士)	240	-	-	240
Mr. Lee Kar Chung (李家聰先生)	240	-	-	240
Mr. Sun Jianhua (孫建華先生)	240	-	-	240
	1,120	19,847	230	21,197

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND FIVE HIGHEST PAID INDIVIDUALS (continued)

14.1 Executive directors, chief executive and non-executive directors (continued)

14. 董事、行政總裁及五位最高薪人士之酬金 (續)

14.1 執行董事、行政總裁及非執行董事 (續)

For the year ended 31 December 2015

截至2015年12月31日止年度

	Directors' fee	Salaries and allowances	Retirement benefit scheme contributions	Equity-settled share-based payment	Total
	董事袍金	薪金與津貼	退休福利計劃供款	按權益結算以股份付款	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors:	執行董事：				
Mr. Liang Hongze (梁洪澤先生)	–	1,830	26	2,045	3,901
Ms. Xu Jie (徐捷女士)	–	1,990	13	–	2,003
Mr. Xu Zechang (徐澤昌先生)	–	809	26	2,045	2,880
Mr. Jiang Tianfan (江天帆先生)	–	630	26	2,045	2,701
Mr. Zhang Xiaodan (張曉丹先生)	–	1,000	26	2,045	3,071
Non-executive directors:	非執行董事：				
Mr. Yang Huisheng (楊輝生先生)	–	–	–	–	–
Mr. Rui Wei (芮偉先生)	–	–	–	–	–
Independent non-executive directors:	獨立非執行董事：				
Mr. Kwok Kong Kwong (鄺國光先生)	400	–	–	–	400
Ms. Cheng Hong (程紅女士)	240	–	–	–	240
Mr. Wang Bing (王冰先生) (Note v)	154	–	–	–	154
Mr. Lee Kar Chung (李家聰先生) (附註v)	86	–	–	–	86
Mr. Sun Jianhua (孫建華先生)	240	–	–	–	240
	1,120	6,259	117	8,180	15,676

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND FIVE HIGHEST PAID INDIVIDUALS (continued)

14.1 Executive directors, chief executive and non-executive directors (continued)

Notes:

- (i) Mr. Liang Hongze is also the chief executive of the Group and his emoluments disclosed above include those for services rendered by him as the chief executive.

On 25 April 2016, Mr. Liang Hongze resigned as the Chairman of the Board and Ms. Xu Jie was appointed as the Chairman of the Board.

On 25 November 2016, Ms. Xu Jie resigned as the Chairman of the Board and Mr. Wang Yin was appointed as the Chairman of the Board.

- (ii) On 1 February 2016, Mr. Yang Huisheng and Mr. Rui Wei resigned as non-executive directors of the Company and Mr. Shan Baojie and Mr. Cheng Libing were appointed as the executive directors of the Company.

- (iii) On 25 November 2016, Ms. Xu Jie, Mr. Jiang Tianfan, Mr. Shan Baojie, Mr Xu Zechang and Mr. Liang Hongze resigned as executive directors of the Company, Mr Wu Potao was appointed as the executive director of the Company and Mr. Wang Yin, Mr Wang Yan, Mr Liang Hongze and Mr He Xuan were appointed as non-executive directors of the Company.

- (iv) On 28 December 2016, Mr. Zhang Xiaodan resigned as the executive director of the Company, Mr Xu Zechang was appointed as the executive director of the Company.

- (v) On 21 August 2015, Mr. Wang Bing resigned as an independent non-executive director of the Company and Mr. Lee Kar Chung was appointed as an independent non-executive director of the Company.

14. 董事、行政總裁及五位最高薪人士之酬金 (續)

14.1 執行董事、行政總裁及非執行董事 (續)

附註：

- (i) 梁洪澤先生亦為本集團行政總裁，上文所披露彼之薪酬包括就其作為行政總裁提供服務之酬金。

於2016年4月25日，梁洪澤先生辭任董事長，而徐捷女士獲委任為董事長。

於2016年11月25日，徐捷女士辭任董事長，而王印先生獲委任為董事長。

- (ii) 於2016年2月1日，楊輝生先生及芮偉先生退任本公司非執行董事，而單寶傑先生及成立兵先生獲委任為本公司執行董事。

- (iii) 於2016年11月25日，徐捷女士、江天帆先生、單寶傑先生、徐澤昌先生及梁洪澤先生辭任本公司執行董事，而吳珀濤先生獲委任為本公司執行董事，以及王印先生、王彥先生、梁洪澤先生及賀旋先生獲委任為本公司非執行董事。

- (iv) 於2016年12月28日，張曉丹先生辭任本公司執行董事，而徐澤昌先生獲委任為本公司執行董事。

- (v) 於2015年8月21日，王冰先生辭任本公司獨立非執行董事，而李家聰先生獲委任為本公司獨立非執行董事。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE AND FIVE HIGHEST PAID INDIVIDUALS (continued)

14.1 Executive directors, chief executive and non-executive directors (continued)

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.

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

During both years, no directors waived or agreed to waive any emoluments, and no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

14.2 All five individuals with the highest emoluments in the Group are five directors of the Company for the years ended 31 December 2016 and 31 December 2015 whose emoluments are included in the disclosures above.

14. 董事、行政總裁及五位最高薪人士之酬金 (續)

14.1 執行董事、行政總裁及非執行董事 (續)

上文所示執行董事之酬金主要為彼等有關管理本公司及本集團事務職務之酬金。

上文所示獨立非執行董事之酬金主要為彼等就任本公司董事之酬金。

兩年內，概無董事放棄或同意放棄任何酬金，且本集團概無向董事支付任何酬金作為其加入本集團或於加入本集團時之獎勵或離職補償。

14.2 截至2016年12月31日及2015年12月31日止年度，本集團全部五位最高薪人士為五名本公司董事，彼等之酬金於上文披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

15. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the equity holders of the Group is based on the following data:

15. 每股（虧損）盈利

本集團權益持有人應佔每股基本及攤薄（虧損）盈利乃按下列數據計算：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Earnings	盈利		
(Loss) profit for the purpose of basic and diluted (loss) earnings per share for the year attributable to equity holders of the Company	用作計算本公司權益持有人應佔年度每股基本及攤薄（虧損）盈利之（虧損）利潤	(1,506,964)	167,045
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share (in thousands)	用作計算每股基本（虧損）盈利之加權平均普通股數目（千股）	901,557	818,737
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Non-vested shares under Share Award Scheme (in thousands)	股份獎勵計劃項下未歸屬之股份（千股）	N/A 不適用	609
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share (in thousands)	用作計算每股攤薄（虧損）盈利之加權平均普通股數目（千股）	901,557	819,346

The weighted average number of shares used for the purpose of calculating the basic (loss) earnings per share for the years ended 31 December 2016 and 2015 has been arrived at after adjusting the effect of shares repurchased and held by the Company's Share Award Scheme.

用於計算截至2016年及2015年12月31日止年度每股基本（虧損）盈利之加權平均股份數目，乃經調整本公司股份獎勵計劃購回及持有股份之影響後計算得出。

The computation of diluted loss per share for the year ended 31 December 2016 does not assume the conversion of the Company's outstanding non-vested shares under Share Award Scheme since their exercise would result in a decrease in loss per share for the year ended 31 December 2016.

截至2016年12月31日止年度每股攤薄虧損並無假設本公司根據股份獎勵計劃之發行在外非歸屬股份獲轉換，原因是其行使將導致截至2016年12月31日止年度每股虧損減少。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

16. DIVIDENDS

16. 股息

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

	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Dividends recognised as distributions during the year:		
2014 Final – HK\$5 cents per share (Note i)	–	32,506
2015 special dividend (Note ii)	–	82,573
	–	115,079

Dividends recognised as distributions during the year: 年內確認為分派之股息：

2014 Final – HK\$5 cents per share (Note i)	2014年末期股息 – 每股5港仙(附註i)	–	32,506
2015 special dividend (Note ii)	2015年特別股息(附註ii)	–	82,573
		–	115,079

Notes:

- (i) On 13 May 2015, the Board resolved that the proposed final dividend for the year ended 31 December 2014 was revised to HK\$0.05 per ordinary share of the Company with total dividends of approximately RMB32,904,000, instead of HK\$0.17 per ordinary share to the shareholders whose names appear on the register of members of the Company on 12 June 2015. This proposed resolution was duly passed by the shareholders of the Company by way of poll at the annual general meeting of the Company held on 4 June 2015. The Trustee hold the dividends of the treasury share of approximately RMB398,000.
- (ii) On 17 December 2015, the Company declared the Special Dividend of HK\$0.12 per share with total dividends of approximately HK\$100,051,560 (equivalent to approximately RMB82,573,000) to shareholders whose names appear on the register of members of the Company at the close of business on 8 January 2016. The special dividend was paid on 8 January 2016.

附註：

- (i) 於2015年5月13日，董事會議決將向於2015年6月12日名列本公司股東名冊之股東建議派發之截至2014年12月31日止年度末期股息由每股普通股0.17港元修訂至每股本公司普通股0.05港元，股息總額約為人民幣32,904,000元。該項建議決議案已由本公司股東於本公司在2015年6月4日舉行之股東週年大會上以投票方式正式通過。信託持有庫存股份之股息約人民幣398,000元。
- (ii) 於2015年12月17日，本公司向於2016年1月8日營業時間結束時名列本公司股東名冊之股東宣派特別股息每股0.12港元，股息總額約為100,051,560港元(相等於約人民幣82,573,000元)。該特別股息已於2016年1月8日派付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

16. DIVIDENDS (continued)

- (iii) Subsequent to the end of the reporting period of 2015, final dividend of HK\$0.119 per share in respect of the year ended 31 December 2015 was proposed by the directors and was subjected to approval by the shareholders in the forthcoming general meeting. As disclosed in the Company's announcement dated 24 May 2016, the Board has resolved that the proposed final dividend for the year ended 31 December 2015 be revised to HK\$0 cent per ordinary share of the Company, instead of HK\$11.9 cents per ordinary share of the Company as previously recommended.
- (iv) Subsequent to the end of the reporting period, final dividend of HK\$0.063 per share in respect of the year ended 31 December 2016 was proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

16. 股息 (續)

- (iii) 於2015年報告期結束後，董事建議派發截至2015年12月31日止年度之末期股息每股0.119港元，惟須待股東於應屆股東大會上批准。誠如本公司日期為2016年5月24日之公告所披露，董事會議決將建議派發截至2015年12月31日止年度末期股息由之前建議之每股本公司普通股11.9港仙修訂至每股本公司普通股0港仙。
- (iv) 於報告期結束後，董事建議派發截至2016年12月31日止年度之末期股息每股0.063港元，惟須待股東於應屆股東大會上批准。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings 樓宇	Leasehold improvement 租賃資產改良	Medical equipment 醫療設備	Motor vehicles 汽車	Office equipment 辦公設備	Construction in progress 在建工程	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
COST	成本							
At 1 January 2015	於2015年1月1日	69,832	40,270	88,091	3,093	11,204	11,015	223,505
Additions	添置	-	987	19,690	587	3,233	6,560	31,057
Transfer	轉撥	-	31	1,303	-	-	(1,334)	-
Disposals/write-off	處置/撤銷	-	-	(461)	-	(247)	-	(708)
At 31 December 2015	於2015年12月31日	69,832	41,288	108,623	3,680	14,190	16,241	253,854
Acquisition of business (Note 34)	收購業務(附註34)	90,264	4,420	1,067	1,378	8,230	271	105,630
Additions	添置	-	290	21,473	617	3,569	16,858	42,807
Transfer	轉撥	-	18,484	220	-	-	(18,704)	-
Disposals/write-off	處置/撤銷	-	-	(2,507)	(756)	(403)	-	(3,666)
At 31 December 2016	於2016年12月31日	160,096	64,482	128,876	4,919	25,586	14,666	398,625
ACCUMULATED DEPRECIATION	累計折舊							
At 1 January 2015	於2015年1月1日	39,377	15,650	23,234	1,496	5,456	-	85,213
Charge for the year	年度折舊	3,756	4,963	12,628	413	2,113	-	23,873
Eliminated on disposals/write-off	於處置/撤銷時對銷	-	-	(226)	-	(229)	-	(455)
At 31 December 2015	於2015年12月31日	43,133	20,613	35,636	1,909	7,340	-	108,631
Charge for the year	年度折舊	4,624	5,398	14,837	487	3,149	-	28,495
Eliminated on disposals/write-off	於處置/撤銷時對銷	-	-	(2,217)	(359)	(217)	-	(2,793)
At 31 December 2016	於2016年12月31日	47,757	26,011	48,256	2,037	10,272	-	134,333
CARRYING AMOUNT	賬面值							
At 31 December 2015	於2015年12月31日	26,699	20,675	72,987	1,771	6,850	16,241	145,223
At 31 December 2016	於2016年12月31日	112,339	38,471	80,620	2,882	15,314	14,666	264,292

The above items of property, plant and equipment other than construction in progress are depreciated over their useful lives, after taking into account the estimated residual value, on a straight-line basis:

Buildings	20 – 50 years
Leasehold improvement	Over the shorter of the lease term and estimated useful lives up to 10 years
Medical equipment	5 – 10 years
Motor vehicles	5 – 10 years
Office equipment	1 – 5 years

上述物業、廠房及設備項目(在建工程除外)經計及估計剩餘價值後以直線法在其可使用年內計提折舊:

樓宇	20至50年
租賃資產改良	按租期與最長達10年的估計可使用年期中的較短者
醫療設備	5至10年
汽車	5至10年
辦公設備	1至5年

As at 31 December 2016, the carrying amounts of buildings without ownership certificates were approximately RMB8,165,000 (2015: RMB9,545,000).

於2016年12月31日, 未取得所有權證樓宇之賬面值約為人民幣8,165,000元(2015年: 人民幣9,545,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

18. INTANGIBLE ASSETS

The intangible assets of the Group represent operating rights under IOT agreements and sponsorship rights and consulting services contracts. Operating rights under IOT agreements have finite useful lives, and are amortised on a straight-line basis over the operating period set out in the IOT agreements which ranged from 16 to 48 years. Sponsorship rights and consulting services contracts have indefinite useful lives. Details of the operating rights and the sponsorship rights and consulting services contracts are disclosed in Note 7.

18. 無形資產

本集團無形資產指IOT協議下之經營權及舉辦權及顧問服務合同。IOT協議下之經營權具有有限可使用年期，按直線法在IOT協議規定之介乎16至48年之經營期內攤銷。舉辦權及顧問服務合同具有有限可使用年期。經營權及舉辦權及顧問服務合同詳情於附註7披露。

		Operating rights under IOT arrangements IOT安排下之經營權 RMB'000 人民幣千元	Sponsorship rights and consulting services contracts 舉辦權及顧問服務合同 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
COST:	成本：			
At 1 January 2015	於2015年1月1日	408,702	-	408,702
Additions:	添置：			
Fair value adjustments (Note i)	公允價值調整 (附註i)	61,928	-	61,928
At 31 December 2015	於2015年12月31日	470,630	-	470,630
Additions:	添置：			
Fair value adjustments (Note i)	公允價值調整 (附註i)	18,913	-	18,913
Acquisition of subsidiaries (Note 34)	收購附屬公司 (附註34)	-	1,728,026	1,728,026
At 31 December 2016	於2016年12月31日	489,543	1,728,026	2,217,569
ACCUMULATED AMORTIZATION:	累計攤銷：			
At 1 January 2015	於2015年1月1日	48,672	-	48,672
Charged for the year (Note ii)	年度攤銷 (附註ii)	17,389	-	17,389
At 31 December 2015	於2015年12月31日	66,061	-	66,061
Charged for the year	年度攤銷	19,146	-	19,146
At 31 December 2016	於2016年12月31日	85,207	-	85,207
CARRYING AMOUNT	賬面值			
At 31 December 2015	於2015年12月31日	404,569	-	404,569
At 31 December 2016	於2016年12月31日	404,336	1,728,026	2,132,362

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

18. INTANGIBLE ASSETS (continued)

Notes:

(i) Since the commitments to provide Repayable Investment Amounts are part of the respective IOT arrangements which the Group have been granted the operating rights of the IOT Hospitals in return, the fair value adjustments are accounted for as part of the IOT operating rights to the extent the additional investments relate to upgrading the relevant IOT Hospitals, rather than restoring to a specified level of serviceability and subject to amortisation charges (included in cost of sales and services in the consolidated statement of profit or loss and other comprehensive income) over the operating period of the respective IOT arrangements.

(ii) Sponsorship rights represent the legal rights stipulated in the articles of associations of the Sponsored Hospitals, including: (a) access to the operation status and financial reports of the Sponsored Hospitals; and (b) recommending members to the executive committee which is the highest authority of the Sponsored Hospitals. The Sponsored Hospitals are not-for-profit hospitals and do not have limit on the life of operation period.

The consulting services contracts are entered between the Group and the Sponsored Hospitals. The initial term is 20 years and the parties will negotiate to renew the term every five years and the term of 20 years will recount after every renewal. The consulting services fees are charged on a yearly basis and represent certain percentages of the revenue of the relevant hospitals, provided that the fees will not be more than the audited net profit (before deduction of the services fees) of the relevant hospitals. Details of the contracts are set out in the circular issued by the Company on 7 October 2016.

18. 無形資產 (續)

附註：

(i) 由於提供須償還投資金額之承擔為各項IOT安排之一部分，以換取本集團獲授予IOT醫院之經營權，倘額外投資與升級相關IOT醫院有關，而非用於將可用性恢復至指定水平，則公允價值調整入賬計為IOT經營權之一部分，惟須扣除各項IOT安排經營期內之攤銷費用（計入綜合損益及其他全面收入報表內之銷售及服務成本）。

(ii) 舉辦權指舉辦醫院的組織章程細則內規定的法定權利，包括：(a) 取得舉辦醫院的運營狀況及財務報告；及(b)向執行委員會（舉辦醫院的最高權力機構）推薦成員人選。舉辦醫院為非牟利醫院，且其運營期的年期並無限制。

顧問服務合同乃由本集團及舉辦醫院訂立，初步為期20年。訂約方將每五年商議續期一次，而該20年期限將於每次續後重新計算。顧問服務費按年收取，是相關醫院收益的某個百分比，惟有關費用將不超過相關醫院的經審核淨利潤（扣除服務費用前）。有關合同的詳情載於本公司於2016年10月7日刊發的通函內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

18. INTANGIBLE ASSETS (continued)

Notes: (continued)

The Group's management considers there is no foreseeable limit to the period over which the sponsorship rights and consulting services contracts are expected to generate net cash inflows for the Group. The useful life of the sponsorship rights and consulting services contracts is indefinite based on an analysis of the factors, such as the life of the sponsorship rights, life of operation of the Sponsored Hospitals and the ability to renew the consulting service contracts through the sponsorship rights to appoint sufficient members to the executive committee of the Sponsored Hospitals.

The carrying amounts of the sponsorship rights and consulting services contracts are reviewed to assess whether their recoverable amounts have declined below their carrying amounts annually. For the purpose of impairment testing, the sponsorship rights and consulting services contracts have been allocated to the group of cash-generating units ("CGU") of Ample Mighty and its subsidiaries as disclosed in Note 21. There is no impairment loss recognised on the sponsorship rights and consulting services contracts during the year.

18. 無形資產 (續)

附註：(續)

本集團管理層認為舉辦權及顧問服務合同預期為本集團產生淨現金流入之期限並無可預見之限制。基於各因素分析（如舉辦權年期、舉辦醫院運營年期及透過舉辦權向舉辦醫院執行委員會委任充足成員以重續顧問服務合同的能力），舉辦權及顧問服務合同之可使用年期不確定。

本集團每年檢討舉辦權及顧問服務合同之賬面值，以評估其可收回金額是否已跌至低於其賬面值。為了進行減值測試，舉辦權及顧問服務合同被分配至廣雄及其附屬公司之現金產生單位（「現金產生單位」）（誠如附註21所披露）。年內，未確認有關舉辦權及顧問服務合同的減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

19. RECEIVABLES FROM IOT HOSPITALS

19. 來自IOT醫院之應收款項

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Receivables from the IOT Hospitals:	來自IOT醫院之應收款項：		
At beginning of the year	於年初	116,400	77,830
Payments to IOT Hospitals under IOT agreements	根據IOT協議向IOT醫院支付之款項	13,087	38,072
Repayment from IOT Hospitals	來自IOT醫院之還款	(14,808)	(9,808)
Interest and investment income	利息及投資收入	13,163	10,306
At the end of the year	於年末	127,842	116,400
Less: current portion included in prepayments and other receivables (Note 27)	減：計入預付款及其他應收款項之即期部分（附註27）	(14,838)	(13,341)
Non-current portion	非即期部分	113,004	103,059

Pursuant to the IOT agreements and arrangements as disclosed in Note 7, the Group made the Repayable Investment Amounts to the IOT Hospitals in return for the operating rights of the IOT Hospitals over a tenure ranging from 16 to 48 years. These Repayable Investment Amounts are interest free and will be repaid to the Group in equal annual instalments during the tenure of the IOT arrangements. The carrying amount of these interest free Repayable Investment Amounts made by the Group to IOT Hospitals that will be repaid back to the Group is recorded as Receivables from IOT Hospitals and was measured at fair value upon initial recognition and subsequently carried at amortised cost using the effective interest method at an average effective interest rate of approximately 11% per annum over the tenure of the respective IOT arrangements.

根據附註7所披露之IOT協議及安排，本集團向IOT醫院支付須償還投資金額，以換取IOT醫院於介乎16至48年期內之經營權。該等須償還投資金額為免息及須在IOT安排期限內每年等額分期向本集團償還。本集團向IOT醫院支付而將獲付回之該等免息須償還投資金額之賬面值入賬記錄為來自IOT醫院之應收款項，初步確認時按公允價值計量，其後採用實際利率法按約11%之平均實際年利率於有關IOT安排期限內以攤銷成本列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. LEASE PREPAYMENTS FOR LAND USE RIGHT 20. 土地使用權租賃預付款

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cost:	成本：		
At beginning of the year	於年初	166,219	166,219
At the end of the year	於年末	166,219	166,219
Accumulated amortisation:	累計攤銷：		
At beginning of the year	於年初	(15,749)	(12,374)
Charge for the year	年度攤銷	(3,375)	(3,375)
At the end of the year	於年末	(19,124)	(15,749)
Carrying amount at the end of the year	於年末之賬面值	147,095	150,470

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

20. LEASE PREPAYMENTS FOR LAND USE RIGHT (continued)

Analyse for reporting purpose as:

20. 土地使用權租賃預付款 (續)

作報告之用的分析如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current portion included in prepayments and other receivables (Note 27)	計入預付款及其他應收款項之即期部分 (附註27)	3,375	3,375
Non-current portion	非即期部分	143,720	147,095
		147,095	150,470

Notes:

- (i) In May 2011, the land use right was contributed by a non-controlling shareholder of Jian Gong Hospital, Beijing Construction Engineering Group, as a non-cash capital injection and was amortised over the remaining lease term of 49.3 years. The amount of the land use right of RMB170,552,000 is determined as the appraised value by a Chinese Certified Public Valuer, Beijing Tengqi Certified Public Valuers Co., Ltd (北京騰騏資產評估有限公司), located at 81 Zizhuyuan Road, Haidian District, Beijing, PRC, with the valuation report "Jing Teng Ping Bao Zi (京騰評報字) (2010) No. 020".

On 10 March 2014, Jian Gong Hospital, a non-wholly owned subsidiary of the Company, entered into the Compensation Agreement (the "Agreement") with Xicheng District government of Beijing (北京市西城區政府). Pursuant to the Agreement, Jian Gong Hospital has received compensation from Xicheng District government for the leasehold land adjacent to the hospital. The disposal has resulted in a reduction amounted to RMB4,333,000 in cost of lease prepayments for land use right.

附註：

- (i) 於2011年5月，該土地使用權由健宮醫院之非控股股東北京建工集團作為非現金注資注入，並在餘下49.3年租期內攤銷。經中國註冊資產評估師北京騰騏資產評估有限公司（地址為中國北京海澱區紫竹院路81號）在其出具之估值報告「京騰評報字(2010)第020號」釐定，該土地使用權之經評估價值為人民幣170,552,000元。

於2014年3月10日，健宮醫院（本公司非全資附屬公司）與北京市西城區政府訂立一份補償協議（「協議」）。根據協議，健宮醫院已從西城區政府就醫院附近的租賃土地收取補償。該項處置導致本集團土地使用權租賃預付款的成本減少人民幣4,333,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

21. GOODWILL

21. 商譽

		RMB'000 人民幣千元
Cost	成本	
Arising on acquisition of a subsidiary (Note 34)	因收購一間附屬公司獲得 (附註34)	3,191,110
At 31 December 2016	於2016年12月31日	3,191,110
Impairment	減值	
Impairment loss recognised in this year	本年確認的減值虧損	(1,727,499)
At 31 December 2016	於2016年12月31日	(1,727,499)
Carrying values	賬面值	
At 31 December 2015	於2015年12月31日	-
At 31 December 2016	於2016年12月31日	1,463,611

For the purpose of impairment testing, goodwill and the sponsorship rights and consulting services contracts (Note 18) have been allocated to Ample Mighty and its subsidiaries, which are identified to be a group of CGU, the recoverable amount of which is determined based on fair value less cost of disposal calculations. These calculations use cash flow projections based on financial budgets approved by management covering a 9-year period. Cash flows beyond the 9-year period are extrapolated using an estimated weighted average growth rate of 2.89%. The cash flows are discounted using a post-tax discount rate of 10.16%. The discount rate reflects specific risks relating to the business.

During the year, the Group recognised an impairment loss of RMB1,727,499,000 in relation to the goodwill arising on Acquisition which mainly arose from the difference between the share price of HKD12.34 per share on the Acquisition Date and the issue price of HKD8.04 per share stated in the sale and purchase agreement dated 30 August 2016 as announced by the Company on the same date, on the 462,913,516 consideration shares.

為了進行減值測試，商譽、舉辦權及顧問服務合同（附註18）被分配至廣雄及其附屬公司。廣雄及其附屬公司被界定為現金產生單位，其可收回金額乃基於公允價值減處置成本計算釐定。有關計算採用現金流量預測，以管理層在9年期內批准之財務預算為基準。超出9年期之現金流量乃採用估計加權平均增長率2.89%推算。現金流量以10.16%之稅後折讓率進行折讓。該折讓率反映出與該業務有關之特定風險。

年內，本集團就收購事項產生的商譽確認減值虧損人民幣1,727,499,000元，商譽主要指於收購日期股價每股12.34港元與本公司於同日公布日期為2016年8月30日的買賣協議所述有關462,913,516股代價股份之發行價每股8.04港元之差額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

22. INTEREST IN AN ASSOCIATE

22. 於一間聯營公司之權益

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cost of investment in an associate	投資一間聯營公司之成本	141,985	141,985
Share of post-acquisition (loss) profit net of dividends received	應佔收購後（虧損）利潤減收到的股息	(1,196)	1,008
Gain on deemed disposal of an associate	視為出售一間聯營公司收益	5,163	5,163
Exchange adjustment	匯兌調整	17,386	6,839
		163,338	154,995
Fair value of the listed investment	上市投資之公允價值	134,320	149,850

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

於報告期末本集團聯營公司之詳情載列如下：

Name of entity 實體名稱	Country of incorporation 註冊成立國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持 擁有權益之比例		Proportion of voting rights held by the Group 本集團所持投票權比例		Principal activity 主要業務
			2016 2016年	2015 2015年	2016 2016年	2015 2015年	
UMP Healthcare Holdings Limited ("UMP Healthcare Holdings")	Cayman Islands	Hong Kong	15%	15%	15%	15%	Provide healthcare solutions and service
聯合醫務集團有限公司 (「聯合醫務集團」)	開曼群島	香港	15%	15%	15%	15%	提供醫療護理方案及服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

22. INTEREST IN AN ASSOCIATE (continued)

On 13 July 2015, Pinyu entered into an agreement with True Point Holdings Limited (the “True Point”) to acquire shares representing 20% of the then total issued shares of UMP Healthcare Holdings for a total consideration of HK\$180,000,000. The consideration for the share purchase was determined based on arm’s length negotiations with regard to the UMP Healthcare Holdings’s financial conditions and results of operations.

On 27 November 2015, UMP Healthcare Holdings completed its global offering and was listed on the Main Board of the Stock Exchange by issuing 184,000,000 ordinary shares of HK\$0.001 each. After completion the global offering, the equity interest in UMP Healthcare Holdings of Pinyu decreased to 15%.

The Directors consider the Group has been able to participate in the financial and operating policy decisions of UMP Healthcare Holdings through the Group’s voting power and a board representative nominated by the Group.

The financial year end date for UMP Healthcare Holdings is 30 June. For the purpose of applying the equity method of accounting, the Group used the interim financial statements of UMP Healthcare Holdings for the six months ended 31 December 2016.

Summarised financial information of an associate

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

The associate is accounted for using the equity method in these consolidated financial statements.

22. 於一間聯營公司之權益 (續)

於2015年7月13日，Pinyu與True Point Holdings Limited (「True Point」) 訂立協議，收購聯合醫務集團當時全部已發行股份之20%，總代價為180,000,000港元。收購股份之代價乃參考聯合醫務集團之財務狀況及經營業績後公平協商釐定。

於2015年11月27日，聯合醫務集團完成全球發售，通過發行184,000,000股每股0.001港元之普通股於聯交所主板上市。於全球發售完成後，Pinyu於聯合醫務集團之股本權益降至15%。

董事認為本集團一直有能力透過本集團之投票權以及本集團提名之一名董事會代表參與聯合醫務集團之財務及營運決策。

聯合醫務集團之財政年度年結日為6月30日。為應用權益法入賬，本集團採用聯合醫務集團截至2016年12月31日止六個月之中期財務報表。

聯營公司財務資料摘要

本集團聯營公司之財務資料摘要載列如下。以下財務資料摘要指根據國際財務報告準則編製之聯營公司財務報表所列之金額。

聯營公司於該等綜合財務報表中採用權益法入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

22. INTEREST IN AN ASSOCIATE (continued)

Summarised financial information of an associate (continued)

UMP Healthcare Holdings

22. 於一間聯營公司之權益

(續)
聯營公司財務資料摘要 (續)

聯合醫務集團

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current assets	流動資產	241,300	381,046
Non-current assets	非流動資產	203,694	55,847
Current liabilities	流動負債	(88,892)	(90,100)
Non-current liabilities	非流動負債	(1,720)	(1,687)

		For the year ended 31 December 2016 截至2016年 12月31日 止年度 RMB'000 人民幣千元	Period from 16 July 2015 (date of acquisition) to 31 December 2015 2015年7月16日 (收購日期) 至2015年 12月31日期間 RMB'000 人民幣千元
Revenue	收益	418,857	176,598
Profit for the year/period	年度／期間利潤	1,519	6,649
Other comprehensive income (expense) for the year/period	年度／期間其他全面 收入(開支)	20,728	(281)
Profit and total comprehensive income for the year/period	年度／期間利潤及 全面收入總額	22,247	6,368
Dividends received from the associate during the year/period	年度／期間應收聯營公司 之股息	1,963	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

22. INTEREST IN AN ASSOCIATE (continued)

Summarised financial information of an associate (continued)

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

22. 於一間聯營公司之權益

(續) 聯營公司財務資料摘要 (續)

上述財務資料摘要與在綜合財務報表中確認之聯合醫務集團權益之賬面值對賬如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Net assets of UMP Healthcare Holdings	聯合醫務集團之資產淨值	354,382	345,106
Proportion of the Group's ownership interest in UMP Healthcare Holdings	本集團於聯合醫務集團之所有權權益比例	15%	15%
Goodwill	商譽	53,157	51,766
Effect of fair value adjustments at acquisition	收購時的公允價值調整的影響	94,232	88,258
Unrecognised share of other changes in equity outside of comprehensive income	未確認分佔全面收入外其他權益變動份額	16,910	16,297
		(961)	(1,326)
Carrying amount of the Group's interest in UMP Healthcare Holdings	本集團於聯合醫務集團權益之賬面值	163,338	154,995

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE

Details of the Group's investments in joint ventures/
loan to a joint venture are as follows:

23. 於一間合營公司之權益/ 向一間合營公司貸款

本集團投資於一間合營公司／向一
間合營公司貸款之詳情如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cost of investment in joint ventures 投資一間合營公司之成本		532,199	—
Loan to a joint venture 向一間合營公司提供貸款		—	9,250
Share of post-acquisition loss and other comprehensive expense 應佔收購後虧損及其他全面開支		(18,144)	(2,889)
Exchange adjustment 匯率調整		(407)	—
		513,648	6,361

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

於報告期末本集團各合營公司之詳情
如下：

Name of entity 實體名稱	Country of incorporation/ registration 註冊成立/ 登記所在國家	Principal place of business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持 所有權權益之比例		Proportion of voting rights held by the Group 本集團所持 投票權之比例		Principal activity 主要業務
			2016 2016年	2015 2015年	2016 2016年	2015 2015年	
UMP Beijing Healthcare (Beijing) Group Limited ("UMP Beijing") (Note i) 聯合醫務(北京)集團有限公司 (「聯合醫務(北京)」)(附註i)	BVI 英屬維京群島	Hong Kong and Mainland China 香港及中國內地	50%	50%	50%	50%	Provide healthcare solutions and service 提供醫療 護理方案和服務
CR Wugang 華潤武鋼	Wuhan, PRC 中國武漢	Wuhan, PRC 中國武漢	51%	N/A	51%	N/A	Hospital consulting service 醫院諮詢服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued)

Notes:

- (i) Pursuant to the joint venture shareholders' agreement (the "JV Shareholders' Agreement") on 16 July 2015, UMP Beijing issued 1,000 number of shares to Pinyu and UMP Healthcare China Limited (the "UMP China") at nominal value of USD0.01 each. Upon completion of the issuance of shares, Pinyu held its 50% ownership interest in UMP Beijing. According to the JV Shareholders' Agreement, UMP Beijing's total capital commitment is RMB100 million, with Pinyu and UMP China contributing RMB50 million each, in the form of interest-free shareholders loan. In addition, each of Pinyu and UMP China has the right to appoint up to three directors to the board of UMP Beijing.

On 14 October 2015, Pinyu injected RMB9,250,000 into UMP Beijing as the first instalment of the shareholders loan.

On 29 February and 31 May 2016, Pinyu injected RMB5,000,000 and RMB10,000,000 respectively into UMP Beijing as the second instalment of the shareholders loan.

On 30 August 2016, UMP Beijing issued 9,002 number of shares to Pinyu and UMP China at nominal value of USD0.01 each to capitalise the loans.

- (ii) Through the acquisition of Ample Mighty and its subsidiaries as disclosed in Note 34, the Group obtained the interest in a joint venture, China Resources Wugang (Hubei) Hospital Co., Ltd ("CR Wugang", "華潤武鋼(湖北)醫院管理有限公司").

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續)

附註：

- (i) 根據於2015年7月16日訂立的合營公司股東協議(「合營股東協議」)，聯合醫務(北京)向Pinyu及UMP Healthcare China Limited(「聯合醫務中國」)發行1,000股每股面值0.01美元之股份。於完成股份發行後，Pinyu持有聯合醫務(北京)的50%所有權權益。根據合營股東協議，聯合醫務(北京)的總資本承擔為人民幣100百萬元，Pinyu及聯合醫務中國分別以免息股東貸款之形式出資人民幣50百萬元。此外，Pinyu及聯合醫務中國各自有權委任不超過三名董事至聯合醫務(北京)的董事會。

於2015年10月14日，Pinyu向聯合醫務(北京)注資人民幣9,250,000元，作為首期股東貸款。

於2016年2月29日及5月31日，Pinyu分別向聯合醫務(北京)注資人民幣5,000,000元及人民幣10,000,000元，作為第二期股東貸款。

於2016年8月30日，聯合醫務(北京)向Pinyu及聯合醫務中國發行9,002股每股面值0.01美元之股份，以資本化有關貸款。

- (ii) 藉由按附註34中所披露方式收購廣雄及其附屬公司，本集團獲得於華潤武鋼(湖北)醫院管理有限公司(「華潤武鋼」)一間合營公司之權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued)

Notes: (continued)

(ii) (continued)

CR Wugang, which is the sponsor of China Resources Wuhan Iron and Steel Hospital Group (“Wugang Hospital Group”, “華潤武鋼醫院集團”), was established by CR Hospital Investment and Wuhan Iron and Steel (Group) Corporation (“Wugang Group”, “武漢鋼鐵(集團)公司”) on 19 February 2013.

Although the Group holds 51% of the equity interest of CR Wugang and has the power to appoint three out of five directors of CR Wugang under the Articles of Association, decisions about the relevant activities require unanimous consent. As such the Group does not have right to direct the relevant activities of CR Wugang and accounted for interest in CR Wugang as a joint venture.

Summarised financial information of joint ventures

Summarised financial information in respect of the Group’s joint ventures is set out below. The summarised financial information below represents amounts shown in the joint venture’s financial statements prepared in accordance with IFRSs.

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續)

附註：(續)

(ii) (續)

華潤武鋼(為華潤武鋼醫院集團(「武鋼醫院集團」)的舉辦人)由華潤醫院投資及武漢鋼鐵(集團)公司(「武鋼集團」)於2013年2月19日設立。

儘管本集團擁有華潤武鋼51%股權，並有權根據組織章程細則委任華潤武鋼五名董事中的三名，有關相關活動的決策仍需各方一致同意。因此，本集團無權指導華潤武鋼的相關活動及將於華潤武鋼之權益以合營公司入賬。

合營公司財務資料摘要

本集團合營公司之財務資料摘要載列如下。以下財務資料摘要指根據國際財務報告準則編製的合營公司財務報表所示之金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued)

The joint ventures are accounted for using the equity method in these consolidated financial statements.

(i) UMP Beijing

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current assets	流動資產	36,004	20,611
Non-current assets	非流動資產	21,598	148
Current liabilities	流動負債	(42,099)	(26,537)
Non-current liabilities	非流動負債	(529)	-

The above amounts of assets and liabilities include the following:

上述資產與負債金額包括以下項目：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	33,943	11,750
Current financial liabilities (excluding trade and other payables and provisions)	即期金融負債 (不包括應付貿易款項 及其他應付款項以及撥備)	(37,734)	(26,518)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued)

(i) UMP Beijing (continued)

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續) 合營公司財務資料摘要 (續)

(i) 聯合醫務(北京)(續)

		For the year ended 31 December 2016	Period from 16 July 2015 (date of establishment) to 31 December 2015
		截至2016年 12月31日 止年度 RMB'000 人民幣千元	2015年7月16日 (成立日期) 至2015年 12月31日期間 RMB'000 人民幣千元
Revenue	收益	4,706	-
Loss for the year/period	年度／期間虧損	(27,094)	(5,618)
Other comprehensive expense for the year/period	年度／期間其他 全面開支	(655)	(160)
Loss and total comprehensive expense for the year/period	年度／期間虧損及 全面開支總額	(27,749)	(5,778)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued)

(i) UMP Beijing (continued)

The above loss for the year/period includes the following:

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續) 合營公司財務資料摘要 (續)

(i) 聯合醫務 (北京) (續)

上述年度/期間虧損包括以下項目：

	Period from 16 July 2015 (date of establishment) to 31 December 2015 2015年7月16日 (成立日期) 至2015年 12月31日期間	For the year ended 31 December 2016 截至2016年 12月31日止年度
	RMB'000 人民幣千元	RMB'000 人民幣千元

Depreciation and amortization 折舊及攤銷	2,368	4
Interest income 利息收入	65	3

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

上述財務資料摘要與在綜合財務報表中確認的聯合醫務 (北京) 權益之賬面值對賬如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Net assets of UMP Beijing 聯合醫務 (北京) 資產淨值		14,974	(5,778)
Proportion of the Group's ownership interest in UMP Beijing 本集團分佔於聯合醫務 (北京) 之所有權益比例		50%	50%
Carrying amount of the Group's interest in UMP Beijing/Share of post-acquisition loss of UMP Beijing 本集團在聯合醫務 (北京) 中享有之權益的賬面金額/分佔聯合醫務 (北京) 收購後虧損		7,487	(2,889)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued) (ii) CR Wugang

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續) 合營公司財務資料摘要 (續) (ii) 華潤武鋼

		As at 31 December 2016 於2016年12月31日 RMB'000 人民幣千元
Current assets	流動資產	512,138
Non-current assets	非流動資產	11,543
Current liabilities	流動負債	(136,660)
The above amounts of assets and liabilities include the following:	上述資產與負債金額包括以下項目：	
Cash and cash equivalents	現金及現金等價物	9,243
Current financial liabilities (excluding trade and other payables and provisions)	即期金融負債 (不包括應付貿易款項及其他應付款項以及撥備)	(132,664)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued) (ii) CR Wugang (continued)

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續) 合營公司財務資料摘要 (續) (ii) 華潤武鋼 (續)

		Period from 31 October 2016 (date of acquisition) to 31 December 2016 2016年10月31日 (收購日期) 至2016年 12月31日期間 RMB'000 人民幣千元
Revenue	收益	-
Loss for the period	期間虧損	(3,505)
Other comprehensive expense for the period	期間其他全面開支	-
Loss and total comprehensive expense for the period	期間虧損及 全面開支總額	(3,505)
The above loss for the period includes the following:	上述期間虧損包括以下項目：	
Depreciation and amortization	折舊及攤銷	138
Interest income	利息收入	7

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

23. INTERESTS IN JOINT VENTURES/ LOAN TO A JOINT VENTURE (continued) Summarised financial information of joint ventures (continued) (ii) CR Wugang (continued)

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

		As at 31 December 2016 於2016年12月31日 RMB'000 人民幣千元
Net assets of CR Wugang	華潤武鋼資產淨值	387,021
Proportion of the Group's ownership interest in CR Wugang	本集團分佔於華潤武鋼之 所有權益比例	51%
		197,381
Effect of fair value adjustment at acquisition	收購期間公允價值調整之影響	308,780
Carrying amount of the Group's interest in CR Wugang	本集團在華潤武鋼中享有 之權益的賬面金額	506,161

24. DEFERRED TAXATION

The movement of the Group's deferred tax assets during the year is as follows:

		Accrued expenses 應計開支 RMB'000 人民幣千元
At 1 January 2015	於2015年1月1日	1,346
Charge to profit or loss	自損益扣除	(1,046)
At 31 December 2015	於2015年12月31日	300
Charge to profit or loss	自損益扣除	(300)
At 31 December 2016	於2016年12月31日	-

23. 於一間合營公司之權益/ 向一間合營公司貸款 (續) 合營公司財務資料摘要 (續)

(ii) 華潤武鋼 (續)

上述財務資料摘要與在綜合財務報表中確認的華潤武鋼權益之賬面值對賬如下：

24. 遞延稅項

年內本集團遞延稅資產之變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

24. DEFERRED TAXATION (continued)

The movement of the Group's deferred tax liability during the year is as follows:

24. 遞延稅項 (續)

年內本集團遞延稅負債之變動如下：

		Fair value adjustment on acquisition of business 就收購業務作出 之公允價值調整 RMB'000 人民幣千元
Acquisition of subsidiaries (Note 34)	收購附屬公司 (附註34)	(319,089)
Credit to profit or loss	計入損益	209
At 31 December 2016	於2016年12月31日	(318,880)

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

不得就下列項目確認遞延稅資產：

		For the year ended 31 December 截止12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Tax losses	稅務虧損	145,742	-

Tax losses above were from PRC subsidiaries of Ample Mighty, which are acquired in the Acquisition. No deferred tax asset has been recognised in relation to those tax losses due to the unpredictability of future profit streams of the relevant PRC subsidiaries and it is not probable that taxable profit will be available against which the tax losses can be utilized.

上述稅務虧損乃來自從收購所購得的廣雄中國附屬公司。由於不能預測相關中國附屬公司未來利潤流及不大可能出現可動用稅務虧損抵銷的應課稅利潤，故未就該等稅務虧損確認遞延稅項資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

24. DEFERRED TAXATION (continued)

The tax losses will be expired as follow:

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
2017	2017年	1,149	-
2018	2018年	15,592	-
2019	2019年	51,406	-
2020	2020年	65,232	-
2021	2021年	12,363	-
		145,742	-

Under the PRC EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profit of the PRC subsidiaries amounting to RMB892,236,000 as at 31 December 2016 (2015: RMB648,952,000) 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.

24. 遞延稅項 (續)

稅務虧損將按如下方式屆滿：

根據中國企業所得稅法，中國附屬公司自2008年1月1日起就所賺取利潤宣派的股息被徵繳預提稅。由於本集團能夠控制暫時差額的撥回時間且該暫時差額不大可能在可見未來撥回，故並無於綜合財務報表內就中國附屬公司於2016年12月31日的累計利潤人民幣892,236,000元（2015年：人民幣648,952,000元）所產生之暫時差額計提遞延稅撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

25. INVENTORIES

25. 存貨

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Pharmaceuticals	藥品	34,369	32,962
Medical devices and medical consumables	醫療器械及醫療耗材	15,872	9,360
		50,241	42,322

26. TRADE RECEIVABLES

The Group allows a credit period of approximately 60 days for the general healthcare service to the patients which is due from medical insurance programs, 60 days to 120 days for the sales of pharmaceutical, medical devices and medical consumables to the IOT Hospital, and 90 days to 180 days for the hospital management services to the IOT Hospitals and consulting services to the Sponsored Hospitals after issuing the invoice. The following is an aged analysis of trade receivables presented based on the invoice date.

The following is an aged analysis of trade receivables presented based on the revenue recognition date:

26. 應收貿易款項

本集團給予下列對象的信貸期如下：病人接受綜合醫療服務為開具發票後約60天（由醫療保險計劃支付）；向IOT醫院銷售的藥品、醫療器械及醫療耗材為開具發票後60天至120天；向IOT醫院提供的醫院管理服務及向舉辦醫院提供的顧問服務為開具發票後90天至180天。下文載列按發票日期所呈報的應收貿易款項賬齡分析。

下文所載為按收益確認日期呈列的應收貿易款項賬齡分析：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
0 to 60 days	0至60天	202,467	118,555
61 to 180 days	61至180天	15,461	6,396
>180 days	180天以上	37,996	12,669
		255,924	137,620

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

26. TRADE RECEIVABLES (continued)

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

Ageing of trade receivables that are past due but not impaired

26. 應收貿易款項 (續)

上文所披露的應收貿易款項包括於報告期末已逾期的款項(有關賬齡分析請參閱下文)，由於信貸質素並無出現重大變化，且有關款項仍被認為可收回，故本集團並無確認呆賬撥備。

已逾期但未減值之應收貿易款項

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Overdue by:	逾期天數：		
91 to 180 days	91至180天	37,996	12,669
Total	總計	37,996	12,669

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date that credit were initially granted up to the end of each reporting period. The Group's exposure to the concentration of credit risk is disclosed in Note 42.

於釐定應收貿易款項之可收回程度時，本集團會考慮自初步授出信貸之日起至各報告期末應收貿易款項之信貸質素的任何變動。本集團面臨的信貸集中風險於附註42披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

27. PREPAYMENTS AND OTHER RECEIVABLES 27. 預付款項及其他應收款項

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Current portion of receivables from IOT Hospitals	來自IOT醫院之應收款項的即期部分	14,838	13,341
Prepaid value-added tax	預付增值稅	13,171	11,231
Prepayment to suppliers	向供應商支付的預付款	1,519	5,077
Prepayment of share-based payment (Note)	以股份付款之預付款(附註)	1,279	3,628
Current portion of lease prepayment for land use right	土地使用權租賃預付款的即期部分	3,375	3,375
Prepaid rental	預付租金	–	953
Fee income receivables	應收收費收入	3,459	2,316
Prepaid maintenance expense	預付維護開支	1,847	619
Public housing maintenance fund	公共房屋維修資金	1,110	1,106
Others	其他	2,935	1,241
		43,533	42,887

Note: The prepayment of share-based payment represents the excess of the fair value of the Award Shares at the grant date over the grant price paid (the "Excess") by the Selected Participants (defined in Note 33). The relevant employees bear the risks and rewards of the shares upon acceptance of the grant and payment of the grant price, and are obliged to refund the Excess in cash to the Company if the relevant employees terminate the services before the end of the vesting period. This amount is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. An amount of RMB2,349,000 was recognised as expense during the year ended 31 December 2016 (2015: RMB2,009,000).

附註：以股份付款之預付款指獎勵股份於授出日期之公允價值超出獲選參與者(定義見附註33)已付授出價格之差額(「差額」)。相關僱員於接納授出並支付授出價格時承擔股份風險及獲取回報，而倘相關僱員於歸屬期結束前離職，則須以現金向本公司退還差額。該金額採用直線法於相關僱員預期提供服務的期間內支銷。截至2016年12月31日止年度確認的費用為人民幣2,349,000元(2015年：人民幣2,009,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

28. SHORT-TERM INVESTMENTS

28. 短期投資

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Mutual funds (Note i)	共同基金 (附註i)	–	45,000
Financial products (Note ii)	金融產品 (附註ii)	66,400	29,990
		66,400	74,990

Notes:

- (i) The mutual funds were operated by financial institutions as an investment portfolio of identified financial instruments. The mutual funds were non-principal protected with variable returns, which have been classified as financial assets at FVTPL, and can be redeemed by the Group any time at its discretion. The fair values of the mutual funds were determined based on the executable redemption prices provided by the issuing financial institutions.
- (ii) The financial products were operated by banks, with expected annual return ranging from 3% to 4% per annum which have been designated at FVTPL. The maturity of the financial products as at 31 December 2016 is in March 2017.

There were no significant changes in the counterparties' credit risk and therefore there were no significant gains or losses attributed to changes in credit risk for these financial assets at FVTPL during both years.

附註：

- (i) 該共同基金由金融機構作為選定金融工具的投資組合運作。該共同基金為非保本浮動收益基金，分類為FVTPL的金融資產，可由本集團隨時酌情贖回。共同基金之公允價值根據發行金融機構所提供的可執行贖回價格釐定。
- (ii) 該金融產品由銀行運作，預期年收益率介乎3%至4%，指定為FVTPL。於2016年12月31日金融產品於2017年3月到期。

因對手方信貸風險並無重大變化，故於兩個年度內均並無由該等FVTPL金融資產之信貸風險變動而產生之重大收益或虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

29. CERTIFICATE OF DEPOSIT AND CASH AND CASH EQUIVALENTS

29. 存款證與現金及現金等價物

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Bank balance and cash (classified as cash and cash equivalents)	銀行結餘及現金 (分類為現金及現金等價物)	1,069,468	821,864
Certificate of deposit	存款證	52,806	116,684
		1,122,274	938,548

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Cash and cash equivalents and certificate of deposit denominated in:	現金及現金等價物與存款證以下列貨幣計值：		
- RMB	- 人民幣	1,081,180	847,643
- USD	- 美元	33,461	3,396
- HKD	- 港元	7,633	87,509
		1,122,274	938,548

Bank balances carried interest at market rates which range from 0.01% to 1.30% per annum over both years. As at the 31 December 2016, the certificate of deposit of RMB52,806,000 (2015: RMB116,684,000) carried interest rate at 7.8% (2015: from 3.55% to 4.9%) per annum, which will mature on 30 March 2017.

兩個年度的銀行結餘按介乎每年0.01%至1.30%的市場利率計息。於2016年12月31日，為數人民幣52,806,000元（2015年：人民幣116,684,000元）存款證的年利率為7.8%（2015年：3.55%至4.9%）及將於2017年3月30日到期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

30. TRADE PAYABLES

Trade payables are non-interest bearing and are normally granted on a credit term of 0 to 90 days. An aged analysis of the Group's trade payables, as at the end of the year, based on the date of delivering of goods, is as follows:

30. 應付貿易款項

應付貿易款項免息，一般按0至90天的信貸期授出。於年末，本集團應付貿易款項按交貨日期作出的賬齡分析如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Within 60 days	60天內	201,380	189,768
61-180 days	61至180天	39,447	18,221
>180 days	180天以上	1,930	1,554
		242,757	209,543

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

31. OTHER PAYABLES

31. 其他應付款項

		As at 31 December 於12月31日	
		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff cost payables	應付員工成本	43,607	23,152
Other PRC tax payable	中國其他應繳稅金	15,576	13,769
Deposits from suppliers	供貨商保證金	13,112	11,860
Deposits from patients	病人保證金	5,093	4,135
Retirement benefit obligations (Note 32.2)	退休福利責任 (附註32.2)	2,446	1,706
Payable for purchase of property, plant and equipment	購買物業、廠房及設備之 應付款項	953	597
Unpaid expense in relation to major transactions	與重大交易相關的 未付開支	17,635	–
Unpaid expense in relation to professional services	與專業服務相關的 未付開支	8,593	1,200
Others	其他	13,640	3,148
		120,655	59,567

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

32. RETIREMENT BENEFIT OBLIGATIONS

32.1 Defined contribution plans

The PRC employees of the Group are members of a state-managed retirement benefit plan operated by the government of the PRC. The PRC subsidiaries of the Company are required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund the employee benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions. The retirement benefit cost charged to profit or loss for the year ended 31 December 2016 amounts to RMB13,363,000 (2015: RMB11,103,000).

32.2 Defined benefit plans

32. 退休福利責任

32.1 界定供款計劃

本集團中國僱員均為由中國政府運作的國家管理退休福利計劃成員。本公司中國附屬公司須按僱員工資成本的指定百分比向退休福利計劃供款，以撥支僱員福利。本集團須就退休福利計劃承擔的唯一責任為繳納指定的供款。截至2016年12月31日止年度，自損益表扣除的退休福利成本為人民幣13,363,000元（2015年：人民幣11,103,000元）。

32.2 界定福利計劃

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Total estimated benefit payable to retired staffs	估計應付退休人員福利總額	22,024	4,630
Less: Amounts due within 12 months included in other payable (Note 31)	減：計入其他應付款項的12個月內到期款項（附註31）	(2,446)	(1,706)
Amounts due after 12 months	12個月後到期的款項	19,578	2,924

Pursuant to the agreement with Beijing Construction Engineering Group upon the reform of Jian Gong Hospital in 2003, the Group operated a defined benefit plan for 35 retirees. Under the plan, the retirees are entitled to a certain medical insurance and funeral compensation until death.

The plan exposes the Group to longevity risk. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

根據與北京建工集團訂立的協議，於2003年健宮醫院改革時，本集團為35名退休人員運作一項界定福利計劃。根據該計劃，退休人員有權於直至身故前享有若干醫療保險及喪葬補償。

該計劃使本集團面臨長壽風險。界定福利計劃負債的現值乃參考對計劃參與者死亡率之最佳估計計算。計劃參與者預期壽命的延長將增加該計劃之負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

32. RETIREMENT BENEFIT OBLIGATIONS

(continued)

32.2 Defined benefit plans (continued)

The principal assumption used for the purposes of valuation was as follows:

32. 退休福利責任 (續)

32.2 界定福利計劃 (續)

估值所使用的主要假設如下：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Discount rate	貼現率	3.00%	3.85%
Expected rate of the average per capital disposable income growth	預期人均可支配收入增長率	10.00%	4.50%
Average longevity at retirement age for current pensioners	當前適齡退休人員的平均壽命	92	89

Movement in the present value of the defined benefit obligation during the both years were as follows:

於兩個年度，界定福利承擔之現值變動如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
At beginning of the year	於年初	4,630	5,849
Benefit paid	已付福利	(2,938)	(1,219)
Remeasurement on the net defined benefit liability	界定福利負債淨值再計算	20,332	-
At the end of the year	於年末	22,024	4,630

The remeasurement of the net defined benefit liability, which is mainly actuarial losses arising from changes in demographic assumptions, financial assumptions and experiences adjustments, is included in other comprehensive income.

對界定福利負債淨值（即，因人口統計學假設、財務假設及經驗調整變動而造成的主要精算虧損）的再計算乃納入至其他全面收入之中。

32. RETIREMENT BENEFIT OBLIGATIONS

(continued)

32.2 Defined benefit plans (continued)

Significant assumptions for the determination of the defined benefit obligation are discount rate, expected average per capital disposable income and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each reporting period, while holding all other assumptions constant.

If the discount rate is higher (lower) by 1%, the defined benefit obligation would decrease (increase) by RMB1,188,000 (RMB1,309,000) for the year ended 31 December 2016 (2015: RMB304,000 (RMB324,000)).

If the expected average per capital disposable income growth increase (decrease) by 1%, the defined benefit obligation would increase (decrease) by RMB764,000 (RMB1,334,000) for the year ended 31 December 2016 (2015: RMB314,000 (RMB300,000)).

If the average longevity at retirement age for current pensioners increases (decreases) by one year for retirees, the defined benefit obligation would increase (decrease) by RMB1,981,000 (RMB1,825,000) for the years ended 31 December 2016 (2015: RMB659,000 (RMB1,336,000)).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at 31 December 2016, the Group expected to make payment of RMB2,446,000 under the defined benefit plan in the next twelve months from the end of each reporting period (2015: RMB1,706,000).

32. 退休福利責任 (續)

32.2 界定福利計劃 (續)

用於確定界定福利責任的重大假設為貼現率、預期人均可支配收入及死亡率。下述敏感度分析基於各項假設於各報告期末發生的合理可能變動（而所有其他假設保持不變）釐定。

倘貼現率升(降)1%，截至2016年12月31日止年度的界定福利責任將相應減少(增加)人民幣1,188,000元(人民幣1,309,000元)(2015年：人民幣304,000元(人民幣324,000元))。

倘預期人均可支配收入增長增(減)1%，截至2016年12月31日止年度的界定福利承擔將相應增加(減少)人民幣764,000元(人民幣1,334,000元)(2015年：人民幣314,000元(人民幣300,000元))。

倘適齡退休人員的平均壽命延長(縮短)一年，截至2016年12月31日止年度的已界定福利承擔將相應增加(減少)人民幣1,981,000元(人民幣1,825,000元)(2015年：人民幣659,000元(人民幣1,336,000))。

上文呈列的敏感度分析未必反映界定福利責任的實際變化，因為部分假設可能彼此相關，故假設不大可能獨立發生變化。

於2016年12月31日，本集團根據界定福利計劃自各報告期末起計的未來十二個月預期將繳納人民幣2,446,000元(2015年：人民幣1,706,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. SHARE - BASED PAYMENT TRANSACTIONS

Share award scheme

On 7 July 2014, the Company adopted a share award scheme (the "Scheme") as a means to recognise the contribution of and provide incentives for the key management personnel including directors, senior management, employed experts and core employees of the Group (the "Selected Participants"). The Scheme shall be valid and effective for a period of 10 years commencing on the adoption date. The shares to be awarded under the Scheme will be acquired by the Company through the trustee from the open market out of cash contributed by the Group (the "Award Shares") and be held in trustee for the Selected Participants until such shares are vested in accordance with the provisions of the Scheme.

From September to December in 2014, the Company paid an amount of HK\$221,856,000 (equivalent to approximately RMB175,684,000) to repurchase the Company's existing shares of 16,044,500 from the market pursuant to the Scheme. As at 31 December 2014, all the shares were held by the trustee and the potential participants have not yet been selected by the Board.

In January 2015, 2,144,000 existing shares of the Company was repurchased from the market at a total consideration of HK\$30,218,000 (equivalent to approximately RMB23,892,000).

33. 以股份付款之交易

股份獎勵計劃

於2014年7月7日，本公司採納一項股份獎勵計劃（「該計劃」），作為表彰本集團主要管理人員（包括董事、高級管理層、受聘專家及核心僱員）（「獲選參與者」）所作貢獻及為彼等提供激勵的方式。該計劃將自採納日期起10年內有效及生效。根據該計劃授出的股份將由本公司經由受託人從本集團繳入的現金中從公開市場購入（「獎勵股份」），並由信託人為獲選參與者持有，直至有關股份根據該計劃之規定歸屬為止。

自2014年9月至12月，本公司支付221,856,000港元（相當於約人民幣175,684,000元）根據該計劃從市場上購回16,044,500股本公司現有股份。截至2014年12月31日，所有股份均由受託人持有而董事會尚未甄選潛在參與者。

於2015年1月，本公司從市場上購回2,144,000股本公司現有股份，總代價為30,218,000港元（相等於約人民幣23,892,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. SHARE - BASED PAYMENT TRANSACTIONS (continued)

Share award scheme (continued)

On 25 May 2015, the Board granted an aggregate of 8,690,200 Award Shares to 63 Selected Participants who are managerial personnel under the Scheme, of which (i) 440,000 Award Shares were granted to 4 directors without initial grant price; (ii) 4,639,200 Award Shares were granted to 59 Selected Participants, who are the senior management, employed experts and core employees of the Group without initial grant price; and (iii) 3,611,000 Award Shares were granted to 44 Selected Participants (all of whom overlap with those Selected Participants mentioned in (ii)) with the initial grant price of HK\$12.68 per share. The vesting dates of these Award Shares are as follows:

1,320,200 Award Shares	13 May 2016
7,370,000 Award Shares	1/3 on 13 May 2016
	1/3 on 13 May 2017
	1/3 on 13 May 2018

On 22 December 2015, the Board granted an aggregate of 2,385,000 Award Shares to 65 Selected Participants who are managerial personnel under the Scheme, of which (i) 400,000 Award Shares were granted to 4 directors without initial grant price; (ii) 1,273,000 Award Shares were granted to 61 Selected Participants, who are the senior management, employed experts and core employees of the Group without initial grant price; and (iii) 712,000 Award Shares were granted to 29 Selected Participants (some of whom overlap with those Selected Participants mentioned in (ii) above) with the initial grant price of HK\$9.21 per share. The vesting dates of these Award Shares are as follows:

1,125,000 Award Shares	24 December 2015
1,260,000 Award Shares	1/3 on 1 January 2017
	1/3 on 1 January 2018
	1/3 on 1 January 2019

33. 以股份付款之交易 (續)

股份獎勵計劃 (續)

於2015年5月25日，董事會根據該計劃向63名管理人員獲選參與者合共授出8,690,200股獎勵股份，當中(i)440,000股獎勵股份授予4名董事而無初步授出價格；(ii)4,639,200股獎勵股份授予59名屬於本集團高級管理人員、受聘專家及核心僱員的獲選參與者而無初步授出價格；及(iii)3,611,000股獎勵股份授予44名獲選參與者(均全部與(ii)所述的獲選參與者重疊)，初步授出價格為每股12.68港元。這些獎勵股份的歸屬日期如下：

1,320,200股 獎勵股份	2016年5月13日
7,370,000股 獎勵股份	1/3於2016年5月13日
	1/3於2017年5月13日
	1/3於2018年5月13日

於2015年12月22日，董事會根據該計劃向65名管理人員獲選參與者合共授出2,385,000股獎勵股份，當中(i)400,000股獎勵股份授予4名董事而無初步授出價格；(ii)1,273,000股獎勵股份授予61名屬於本集團高級管理人員、受聘專家及核心僱員的獲選參與者而無初步授出價格；及(iii)712,000股獎勵股份授予29名獲選參與者(部分參與者與(ii)所述的獲選參與者重疊)，初步授出價格為每股9.21港元。這些獎勵股份的歸屬日期如下：

1,125,000股 獎勵股份	2015年12月24日
1,260,000股 獎勵股份	1/3於2017年1月1日
	1/3於2018年1月1日
	1/3於2019年1月1日

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. SHARE - BASED PAYMENT TRANSACTIONS (continued)

Share award scheme (continued)

The Award Shares carry rights to dividends.

The following table discloses the movement of the Company's Award Shares granted to the Selected Participants for the year ended 31 December 2016 and outstanding at 31 December 2016:

Category of participant	Outstanding at 2016/1/1 於2016年1月1日	Granted during the year 年內授出	Vested during the year 年內歸屬	Outstanding at 2016/12/31 於2016年12月31日	Share price at grant date 授出日期 股價	Grant price 授出價格	Grant date 授出日期
Directors 董事	660,000	-	(660,000)	-	14.92	-	25/05/2015
Sub-total 小計	660,000	-	(660,000)	-			
Employees 僱員	660,200	-	(660,200)	-	14.92	-	25/05/2015
Employees 僱員	3,611,000	-	(1,203,664)*	2,407,336	14.92	12.68	25/05/2015
Employees 僱員	3,759,000	-	(1,252,997)	2,506,003	14.92	-	25/05/2015
Employees 僱員	712,000	-	-	712,000	8.98	9.21	22/12/2015
Employees 僱員	548,000	-	-	548,000	8.98	-	22/12/2015
Sub-total 小計	9,290,200	-	(3,116,861)	6,173,339			
Total 總計	9,950,200	-	(3,776,861)	6,173,339			

* For these Award Shares with initial grant price, the number of vested shares represent the number of Award Shares that the relevant employees are entitled to request the Company to sell. The relevant employees bear the risks and rewards of the shares upon acceptance of the grant and payment of the grant price, and are obliged to refund the Excess in cash to the Company if the relevant employees terminate the services before the end of the vesting period.

* 就該等初步授出價格的獎勵股份而言，歸屬股份數目指相關僱員有權要求本公司出售的獎勵股份數目。相關僱員於接納授出並支付授出價格時承擔股份風險及獲取回報，而倘若相關僱員於歸屬期結束前離職，則須以現金向本公司退還差額。

33. 以股份付款之交易 (續)

股份獎勵計劃 (續)

獎勵股份享有股息權。

下表披露截至2016年12月31日止年度已授予獲選參與者的本公司獎勵股份的變動，以及於2016年12月31日的尚未行使獎勵股份：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. SHARE - BASED PAYMENT TRANSACTIONS (continued)

Share award scheme (continued)

The fair value with total amount of RMB77,974,000 of the Award Shares is determined based on the market price of the shares of the Company at the date of grant, without taking into account any service and non-market performance vesting conditions.

The Group recognised the total expense of RMB23,298,000 for the year ended 31 December 2016 (2015: RMB41,762,000) in relation to the Scheme, including an amount of RMB2,349,000 (2015: RMB2,009,000) amortised from prepayment of share-based payment as disclosed in Note 27.

34. ACQUISITION OF BUSINESS

On 30 August 2016, Pinyu entered into an agreement to acquire the entire issued share capital of Ample Mighty from CR Healthcare Group by the issue of 462,913,516 consideration shares by the Company. The Acquisition was completed on 31 October 2016 and has been accounted for using acquisition method. The fair value of the consideration shares of the Company, determined using the share price at the Acquisition Date, amounted to RMB4,982,600,000. Upon completion, CR Healthcare Group holds approximately 35.70% of the issued share capital of the Company as enlarged.

Ample Mighty is an investment holding company and its subsidiaries are principally engaged in provision of hospital consulting services and healthcare services in Mainland China.

Acquisition-related costs amounting to RMB18,418,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, with the other expenses line item in the consolidated statement of profit or loss and other comprehensive income.

33. 以股份付款之交易 (續)

股份獎勵計劃 (續)

獎勵股份公允價值總額人民幣77,974,000元乃按授出日期本公司股份市價釐定，並無計及任何服務及非市場表現歸屬條件。

截至2016年12月31日止年度，本集團就該計劃確認總開支人民幣23,298,000元（2015年：人民幣41,762,000元），包括以股份付款之費用預付款攤銷的人民幣2,349,000元（2015年：人民幣2,009,000元）（誠如附註27所披露）。

34. 收購業務

於2016年8月30日，Pinyu訂立協議，向華潤醫療集團收購廣雄的全部已發行股本，而作為其代價，本公司將發行462,913,516股代價股份。收購事項於2016年10月31日完成並以採用收購法入賬。本公司代價股份的公允價值，採用於收購日期的股價，為人民幣4,982,600,000元。收購完成後，華潤醫療集團持有本公司經擴大後的已發行股本約35.70%。

廣雄是一間投資控股公司，其附屬公司主要負責在中國內地提供醫院諮詢服務及醫療服務。

相關收購成本人民幣18,418,000元已排除在轉讓代價外，並在本年度確認為開支，連同其他開支項目一併於綜合損益及其他全面收入報表內列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

34. ACQUISITION OF BUSINESS (continued)

- (i) Fair value of identifiable assets acquired and liabilities recognised at the Acquisition Date, determined on a provisional basis:

34. 收購業務 (續)

- (i) 於收購日期已收購可識別資產及已確認負債的公允價值(按暫定基準釐定)為：

		Amount recognised at the date of acquisition 於收購日期的 已確認金額 RMB'000 人民幣千元
Fair value of net identifiable assets of subsidiaries acquired	所收購公司可辨認資產淨值的公允價值	
Property, plant and equipment	物業、廠房及設備	105,630
Intangible assets	無形資產	1,728,026
Loan to a sponsored hospital	向一間舉辦醫院提供的貸款	47,293
Interest in a joint venture	於一間合營公司之權益	507,949
Inventories	存貨	226
Trade receivables	應收貿易款項	26,409
Prepayments and other receivables	預付款項及其他應收款項	1,699
Amounts due from related parties	應收關聯方款項	1,958
Cash and cash equivalents	現金及現金等價物	101,003
Trade payables	應付貿易款項	(692)
Other payables	其他應付款項	(23,584)
Amounts due to related parties	應付關聯方款項	(381)
Payables to the Sponsored Hospitals	應付舉辦醫院款項	(384,957)
Deferred tax liability	遞延稅負債	(319,089)
Net identifiable assets	可辨認資產淨值	1,791,490

The total fair value and the gross contractual amounts of trade receivables, other receivables and amounts due from related parties at the Acquisition Date amounted to RMB30,066,000. The best estimate at the Acquisition Date of the contractual cash flow not expected to be collected amounted to nil.

The fair values of the net identifiable assets of the acquired subsidiaries are estimated on a provisional basis, awaiting the completion of final valuation to assist management's estimates in relation to fair value of property, plant and equipment, intangible assets and interest in a joint venture at the acquisition date.

於收購日期，應收貿易款項、其他應收款項以及應收關聯方款項的公平值總額及合約總金額為人民幣30,066,000元。根據於收購日期的最佳估計，預期不可收回的合約現金流量為零。

所收購附屬公司可識別資產淨值的公允價值乃按暫定基準估計，有待最終估值以協助管理層對物業、廠房及設備、無形資產及於一間合營公司之權益在收購日期的公允價值進行的估計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

34. ACQUISITION OF BUSINESS (continued) (ii) Goodwill

Goodwill determined on a provisional basis was as follows:

		Amount recognised at the date of acquisition 於收購日期的 已確認金額 RMB'000 人民幣千元
Consideration transferred	已轉讓代價	4,982,600
Less: Net assets acquired	減：已收購資產淨值	(1,791,490)
Goodwill arising on acquisition	收購業務所產生的商譽	(3,191,110)

Goodwill arose in the acquisition of Ample Mighty included amounts paid for the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Ample Mighty. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. In addition, as mentioned in Note 21, certain amount of goodwill was resulted from the increase of share price of the consideration shares issued by the Company at the Acquisition Date.

None of the goodwill arising on the acquisition is expected to be deductible for tax purpose.

Net cash inflow on the Acquisition:

		RMB'000 人民幣千元
Cash and cash equivalent balances acquired	已收購現金及 現金等價物結餘	101,003

Included in the loss for the year is profit of RMB19,042,000 attributable to the additional business generated by Ample Mighty. Revenue for the year includes RMB23,536,000 generated from Ample Mighty.

34. 收購業務 (續) (ii) 商譽

按暫定基準釐定的商譽如下：

收購廣雄產生的商譽包括預期合併的協同效應、收益增長、未來市場開發及廣雄配套勞動力而支付的金額。該等益處由於未達到可識別無形資產的確認標準，故並未與商譽分開確認。此外，誠如附註21所述，若干商譽金額乃由於在收購日期本公司所發行代價股份的股價上升所致。

收購所產生之商譽預期不可供扣減稅務。

收購現金流入淨額：

年度虧損包括廣雄所產生額外業務應佔利潤人民幣19,042,000元。年內收益包括廣雄產生的人民幣23,536,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

34. ACQUISITION OF BUSINESS (continued)

(ii) Goodwill (continued)

Had the acquisition been completed on 1 January 2016, the Group's revenue for the year would have been RMB1,603,689,000 and loss for the year would have been RMB1,496,621,000. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2016, nor is it intended to be a projection of future results.

In determining the "pro-forma" revenue and profit of the Group had Ample Mighty been acquired at the beginning of the current year, the directors have

- calculated depreciation and amortisation of property, plant and equipment and intangible assets acquired on the basis of the provisional fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the preacquisition financial statements; and
- determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

34. 收購業務 (續)

(ii) 商譽 (續)

倘收購於2016年1月1日完成，本集團之年度收益為人民幣1,603,689,000元，年度虧損為人民幣1,496,621,000元。該模擬信息僅供說明之用，並不一定代表本集團於2016年1月1日收購完成之後應實際獲得之運營收益及業績，亦不得作為對未來業績之預測。

在釐定本集團倘於本年年初收購廣雄之「備考」收益及利潤過程中，董事已：

- 基於因對業務合併進行初始會計處理而產生的暫時性公允價值（而不是收購前財務報表中已確認的賬面金額）對所收購物業、廠房及設備與無形資產之折舊與攤銷進行計算；及
- 基於本集團在業務合併後的資金水平、信用評級及債務／股本狀況對借貸成本進行釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

35. NON-WHOLLY OWNED SUBSIDIARY

Summarised financial information in respect of the Group's non-wholly owned subsidiary, Jian Gong Hospital that has material non-controlling interests is set out below. The non-controlling interests owned 20% of ownership and voting right in Jian Gong Hospital as at 31 December 2016 and 2015. The summarised financial information below represents amount before intragroup eliminations.

35. 非全資附屬公司

關於持有重大非控股權益的本集團非全資附屬公司健宮醫院的財務資料概要載列如下。於2016年及2015年12月31日，非控股權益擁有健宮醫院所有權及投票權的20%。下述財務資料概要指集團內公司間對銷前之金額。

		As at 31 December 於12月31日	
		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current assets	流動資產	410,788	403,009
Non-current assets	非流動資產	293,454	287,194
Current liabilities	流動負債	(88,915)	(113,015)
Non-current liabilities	非流動負債	(19,578)	(2,924)
Total equity	總權益	595,749	574,264
Non-controlling interests	非控股權益	119,151	114,854

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

35. NON-WHOLLY OWNED SUBSIDIARY 35. 非全資附屬公司 (續)

(Continued)

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Revenue and other income	收入及其他收益	603,722	581,542
Expenses	開支	(567,958)	(554,692)
Profit for the year	年度利潤	35,764	26,850
Other comprehensive expense for the year	年度其他全面開支	(20,332)	–
Total comprehensive income for the year	年度全面收入總額	15,432	26,850
Profit attributable to non-controlling interests	非控股權益應佔利潤	7,152	5,369
Net cash generated from operating activities	經營活動所得現金淨額	52,751	43,956
Net cash used in investing activities	投資活動所用現金淨額	(25,132)	(33,488)
Net cash inflow	現金流入淨額	27,619	10,468

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

36. CAPITAL

36. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元	Share capital 股本 RMB'000 人民幣千元
Ordinary shares of HK\$0.00025 each	每股面值0.00025 港元之普通股			
Authorised	法定			
At 1 January 2015 and 31 December 2015 and 2016	於2015年1月1日以及 2015年及2016年 12月31日	1,520,000,000	380	302
Issued and fully paid	已發行及繳足			
At 1 January 2015 and 31 December 2015	於2015年1月1日 及2015年12月31日	833,763,000	209	166
Shares issued for acquisition of business (ii)	為收購業務而發行 之股份(ii)	462,913,516	116	101
At 31 December 2016	於2016年12月31日	1,296,676,516	325	267

Notes:

附註：

(i) During the year ended 31 December 2015 and 2014, the Group repurchased its own shares through the Trustee on the Stock Exchange as follows:

(i) 於截至2015年及2014年12月31日止年度，本集團通過信託於聯交所購回其本身股份的情況如下：

Month of repurchase 購回月份		No. of ordinary shares 普通股數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
January 2015	2015年1月	2,144,000	14.28	13.91	30,218
September 2014	2014年9月	3,102,500	13.21	12.62	39,999
October 2014	2014年10月	6,583,000	13.29	12.74	85,896
November 2014	2014年11月	2,159,000	15.65	15.08	32,965
December 2014	2014年12月	4,200,000	15.10	14.89	62,996

The shares repurchased were held by the Trustee pursuant to the Company's Share Award Scheme as detailed in Note 33.

所購回股份由信託根據本公司的股份獎勵計劃持有，詳情載於附註33。

(ii) On 31 October 2016, 462,913,516 consideration shares with par value of HKD0.00025 per share were issued and allotted to CR Healthcare Group as the Acquisition's consideration (Note 34).

(ii) 於2016年10月31日，本集團向華潤醫療集團發行及分配462,913,516股代價股份（每股面值0.00025港元）作為收購之代價（附註34）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

37. OPERATING LEASES

The Group as lessee

37. 經營租賃

本集團作為承租人

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Minimum lease payments under operating leases	經營租賃下最低租賃付款		
Within one year	一年內	2,858	2,748
In the second to the third year inclusive	第二至第三年 (包括首尾兩年)	940	718
		3,798	3,466

Operating lease payments represent rentals payable by the Group for the office premises leased. These leases were negotiated for lease terms of one to three years at fixed monthly rental.

經營租賃付款指本集團就租賃辦公場所而應付的租金。該等租賃按一至三年租期，及定額月租磋商。

38. CAPITAL AND OTHER COMMITMENTS

The following is the details of capital expenditure and other commitment contracted for but not provided in these consolidated financial statements.

38. 資本及其他承擔

以下為已訂約但未於本綜合財務報表計提撥備的資本支出及其他承擔詳情。

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Capital expenditure	資本開支		
In respect of acquisition of property, plant and equipment	有關收購物業、 廠房及設備	9,803	10,626
Other commitment	其他承擔		
In respect of Repayable Investment Amounts to IOT hospitals under IOT agreements (Note 7)	有關根據IOT協議向IOT醫院作出的須償還投資金額 (附註7)	538,000	570,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

39. CONTINGENT LIABILITIES

The Group is involved as defendants in certain medical disputes arising from its normal business operations. Management of the Group believes, based on legal advice and considering the insurance coverage, the final result of these lawsuits will not have a material impact on the financial position or operations of the Group and accordingly, no provision is made in this regard.

40. RELATED PARTY TRANSACTIONS

40.1 Names and relationships

Names and relationships with related parties are as follows:

Name 名稱	Relationship 關係
Yan Hua Hospital 燕化醫院	Entity controlled by a shareholder 股東所控制的實體
UMP Beijing 聯合醫務(北京)	A joint venture 合營公司
CR Wugang 華潤武鋼	A joint venture 合營公司
UMP 聯合醫務控股	An associate 聯營公司
Subsidiaries controlled by China Resources National Corporation ("CR National") 中國華潤總公司(「華潤總公司」) 所控制的附屬公司	Fellow subsidiaries of CR Healthcare Group which has significant influence over the Group 對本集團產生重大影響的華潤醫療集團 同系附屬公司

39. 或有負債

本集團作為被告牽涉正常業務營運中產生的若干醫療糾紛。本集團管理層相信，基於法律意見及經考慮投保範圍，該等訴訟的最終結果將不會對本集團的財務狀況或營運產生重大影響，因此並無就此作出撥備。

40. 關聯方交易

40.1 名稱及關係

關聯方名稱及與關聯方之關係如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.2 Related party balances

At the end of the reporting period, other than the transactions with Yan Hua Hospital and receivables from Yan Hua Hospital under the IOT arrangements set out in Note 7, the Group had the following balances with related parties:

Amounts due from related parties

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Trade in nature 貿易性質			
Yan Hua Hospital	燕化醫院	66,468	57,500

The following is an aged analysis of amount due from related parties which is trade in nature based on the invoice date at the end of the reporting period:

40. 關聯方交易 (續)

40.2 關聯方結餘 (續)

於報告期末，除附註7所載IOT安排項下與燕化醫院的交易及應收燕化醫院款項外，本集團有以下關聯方結餘：

應收關聯方款項

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Trade in nature 貿易性質			
Yan Hua Hospital	燕化醫院	66,468	57,500

下文載列於報告期末按發票日期呈列的應收關聯方貿易性質款項之賬齡分析：

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Within 60 days	60天內	53,570	38,579
61-180 days	61至180天	12,858	18,921
181 days -1 year	181天至1年	40	-
		66,468	57,500

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.2 Related party balances (continued)

The Group had the following balances of receivables from Yan Hua Hospital under the IOT arrangements at the end of the reporting period:

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Receivables from Yan Hua Hospital	應收燕化醫院款項	32,291	32,353
Less: current portion included in prepayments and other receivables	減：計入預付款項及 其他應收款項的 即期部分	(3,262)	(3,262)
Non-current portion	非即期部分	29,029	29,091

		As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Non-trade in nature 非貿易性質		

Subsidiaries controlled by CR National	華潤總公司所控制的附屬公司	1,760
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The amounts due from the related parties are denominated in RMB, unsecured, interest-free and recoverable within one year. As at 31 December 2016 and 2015, the Group did not have amount due from related parties which was past due.

應收關聯方款項以人民幣計值，為無抵押、免息及可於一年內收回。於2016年及2015年12月31日，本集團並無已逾期的應收關聯方款項。

40. 關聯方交易 (續)

40.2 關聯方結餘 (續)

本集團於報告期末擁有以下根據 IOT 安排應收燕化醫院款項的結餘：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.2 Related party balances (continued)

Amounts due to related parties

40. 關聯方交易 (續)

40.2 關聯方結餘 (續)

應付關聯方款項

		As at 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Trade in nature 貿易性質			
Yan Hua Hospital	燕化醫院	34	—
			As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Subsidiaries controlled by CR National		華潤總公司所控制的附屬公司	
			3,114
			As at 31 December 2016 於2016年 12月31日 RMB'000 人民幣千元
Non-trade in nature 非貿易性質			
Subsidiaries controlled by CR National		華潤總公司所控制 的附屬公司	
			3,766

The above amounts are unsecured, interest free and repayable on demand.

上述款項為無抵押、免息及須應要求償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.3 Related party transactions

Trade in nature

40. 關聯方交易 (續)

40.3 關聯方交易

貿易性質

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

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Hospital management and consulting services	醫院管理及 諮詢服務		
Yan Hua Hospital	燕化醫院	35,798	31,767

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

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
GPO business	GPO業務		
Yan Hua Hospital	燕化醫院	278,074	248,601

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.3 Related party transactions

(continued)

Trade in nature (continued)

During the period from 31 October 2016 (Acquisition Date) to 31 December 2016, the Group entered into the following transactions with related parties that are not member of the Group:

	Period from 31 October 2016 (Acquisition Date) to 31 December 2016 於2016年10月31日 (收購日期)至 2016年12月31日 止期間 RMB'000 人民幣千元
Purchases of Goods	
Subsidiaries controlled by CR National	4,942

Purchases of Goods

採購貨品

Subsidiaries controlled by CR National

華潤總公司所控制的附屬公司

4,942

Non-trade in nature

During the reporting period, other than the trade-in-nature transactions with Yan Hua Hospital under the IOT arrangements set out in Note 7 and the investment injection to UMP Beijing set out in Note 23, the Group had the following significant transactions with related parties:

非貿易性質

於報告期間，除附註7所載根據IOT安排與燕化醫院進行的貿易性質交易及附註23所載向聯合醫務(北京)注入投資外，本集團有以下重大關聯方交易：

	For the year ended 31 December 截至12月31日止年度	
	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Non-trade in nature 非貿易性質		
Yan Hua Hospital	-	10,000

Yan Hua Hospital

燕化醫院

-

10,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

40. RELATED PARTY TRANSACTIONS

(continued)

40.3 Related party transactions

(continued)

Non-trade in nature (continued)

In January 2015, the Group made a prepayment to Yanhua Hospital for the establishment of the advanced clinical testing and laboratory center project. The establishment was suspended due to the management reassessment to the project and the prepayment was refunded to the Group in April 2015.

40.4 Compensation of key management personnel

The emoluments of key management during the year is as follows:

40. 關聯方交易 (續)

40.3 關聯方交易 (續)

非貿易性質 (續)

於2015年1月，本集團向燕化醫院支付用於建立先進的臨床測試及實驗中心項目的預付款。該項目已因管理層重新評估而暫停立項，前述預付款已於2015年4月退還予本集團。

40.4 主要管理人員之薪酬

年內主要管理人員之薪酬載列如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
Short-term employees benefits	短期僱員福利	21,155	8,987
Equity-settled share-based payment expense	權益結算以股份付款開支	–	8,180
Post-employment benefits	離職後福利	230	131
		21,385	17,298

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

41. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern, while to maximise the return to the equity holders of the Company through optimisation of debt and equity balances. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of net of cash and bank balances and equity attributable to equity holders of the Company, comprising capital and reserves.

The management reviews the capital structure on a quarterly basis. As part of this review, the management considers 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 repayment of existing debts.

41. 資本風險管理

本集團的資本管理旨在確保本集團實體能持續經營，同時透過優化債股平衡，為本公司權益持有人爭取最大回報。本集團的整體策略與去年保持一致。

本集團的資本架構包括現金及銀行結餘以及本公司權益持有人應佔權益（由股本及儲備組成）的淨額。

管理層每季審查資本架構。作為此項審查的一部分，管理層會考慮資本成本及與每類資本相關的風險。根據管理層的建議，本集團將透過發行新股、發行新債務及償還現有債務實現資本架構的整體平衡。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Categories of financial instruments

42. 金融工具及金融風險管理

金融工具類別

As at 31 December

於12月31日

		2016	2015
		2016年	2015年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Financial assets:	金融資產：		
Loans and receivables (including cash and cash equivalents and certificate of deposit)	貸款及應收款項 (包括現金及現金等價物 與存款證)	1,628,423	1,253,625
Financial assets at FVTPL	FVTPL金融資產	66,400	74,990
		1,694,823	1,328,615
Financial liabilities:	金融負債：		
Amortised cost	攤銷成本	672,948	226,348

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, amounts due from related parties, loan to a sponsored hospital, other receivables, certificate of deposit, cash and cash equivalents, receivables from IOT Hospitals, short-term investments, trade payables, amount due to related parties, payables to the Sponsored Hospitals and other payables. 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 management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

金融風險管理目標及政策

本集團主要金融工具包括應收貿易款項、應收關聯方款項、向一間舉辦醫院提供的貸款、其他應收款項、存款證、現金及現金等價物、來自IOT醫院之應收款項、短期投資、應付貿易款項、應付關聯方款項、應付舉辦醫院之款項及其他應付款項。該等金融工具的詳情於各自的附註披露。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。下文載列關於如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時有效採取適當措施。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Financial risk management objectives and policies (continued)

Currency risk

The Group undertakes certain financing and operating transactions in foreign currencies, which expose the Group to foreign currency risk. The Group does not use any derivative contracts to hedge against its exposure to currency risk. The management manages 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 and monetary liabilities during both years are as follows:

42. 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

本集團以外幣進行若干融資及營運交易，因此面臨外匯風險。本集團未使用任何衍生合約對沖貨幣風險。管理層透過密切監測外匯匯率變動並於有需要時考慮對沖重大外匯風險來管理貨幣風險。

本集團於兩個年度以外幣計值的貨幣資產及貨幣負債的賬面值如下所示：

	Liabilities 負債		Assets 資產	
	As at 31 December 於12月31日	As at 31 December 於12月31日	As at 31 December 於12月31日	As at 31 December 於12月31日
	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元	2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
US dollar 美元	-	-	33,461	3,396
HK dollar 港元	-	-	7,633	87,509

Currency sensitivity analysis

The Group is mainly exposed to the risk of fluctuations in the HK dollar and US dollar against RMB.

貨幣敏感度分析

本集團主要面臨港元及美元兌人民幣匯率波動之風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Financial risk management objectives and policies (continued)

Currency sensitivity analysis (continued)

The following table details the Group's sensitivity to a 5% (2015: 5%) increase and decrease in RMB against HK dollar and US dollar. 5% (2015: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's 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% (2015: 5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit where RMB weakens 5% against the relevant currency. For a 5% strengthening of RMB against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

42. 金融工具及金融風險管理 (續)

金融風險管理目標及政策 (續)

貨幣敏感度分析 (續)

下表詳列本集團對人民幣兌港元及美元匯率升值及貶值5% (2015年: 5%) 的敏感度。5% (2015年: 5%) 是在集團內部向主要管理人員報告外幣風險時所用的敏感度比率，並代表管理層對外匯匯率合理可能變動的評估。敏感度分析僅包括以外幣計值的未到期貨幣項目，並於年末按5% (2015年: 5%) 的外匯匯率變動對換算人民幣的結果進行調整。下表載列的正數反映，人民幣兌相關貨幣貶值5%導致的稅後利潤加幅。人民幣兌相關貨幣升值5%將會對利潤產生等額反向的影響，同時下列結餘將變為負數。

	HK dollar 港元		US dollar 美元	
	As at 31 December 於12月31日		As at 31 December 於12月31日	
	2016 2016年	2015 2015年	2016 2016年	2015 2015年
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Profit or loss				
利潤或虧損	382	4,375	1,673	170

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Financial risk management objectives and policies (continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to receivables from IOT hospitals and loan to a sponsored hospital and cash flow interest risk in relation to variable-rate bank balances (see Note 29), which carry prevailing market interest rates and short-term investments (see Note 28). The Group currently does not have a specific policy to manage their interest rate risk and have not entered into interest rate swaps to hedge its exposure, but will closely monitor their interest rate risk exposure in the future.

The management of the Group considers the fluctuation in interest rates on bank balances and short-term investments is insignificant. Therefore, no sensitivity analysis is presented.

Other price risk

The Group is exposed to other price risk through its investments in short-term investments. The management manages this exposure by only investing in investments operated by banks and financial institution with good reputation and by maintaining a portfolio of investments with different risks.

The management of the Group considers the fluctuation in fair value changes on financial products is insignificant, taking into account the short-term duration of such financial products.

The management of the Group considers the fluctuation in fair value changes on mutual funds is insignificant, taking into account that the Group intends to sell them in the near term.

42. 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

本集團面對與應收IOT醫院款項及向一間舉辦醫院提供的貸款有關的公允價值利率風險以及與浮動利率銀行結餘(按通行市場利率計息)(請參閱附註29)及短期投資(請參閱附註28)相關的現金流量利率風險。本集團目前並未制定管理利率風險的具體政策,亦無訂立利率互換交易以對沖利率風險,但是將會密切監控其今後面臨的利率風險。

本集團管理層認為銀行結餘及短期投資的利率波動並不重大,因此,並無呈列敏感度分析。

其他價格風險

本集團通過投資於短期投資而面臨其他價格風險。管理層透過僅投資由信譽良好的銀行及金融機構運作的投資,及維持由不同風險之投資組成的投資組合管理此風險。

計及該等金融產品的短期性質,本集團管理層認為該等金融產品的公允價值變動波幅不大。

計及本集團有意在短期內出售該等共同基金,本集團管理層認為該等共同基金的公允價值變動波幅不大。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. 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 management of the Group has 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 management of the Group reviews 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 management of the Group considers that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk on liquid funds which are deposited with several banks. However, the credit risk on cash and cash equivalents and certificate of deposit is limited because the majority of the counterparties are banks with good reputation.

The Group has concentration of credit risk on short-term investments which represent investments in financial products operated by banks.

42. 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

本集團最高信貸風險敞口來自交易對手方不履責以致本集團承擔財務損失，是源於綜合財務狀況表所述各已確認財務資產的賬面值。

為減低信貸風險，本集團管理層已授權一個團隊負責釐定信貸限額、信貸審批及其他監控程式，確保採取跟進行動收回逾期債務。此外，本集團管理層在各報告期末審查各項重大個別債務的可收回金額，確保已就不可收回金額計提充分的減值虧損。就此而言，本集團管理層認為本集團的信貸風險已顯著減低。

對於存放在多間銀行的流動資金，本集團面臨信貸集中風險。然而，由於大多數交易對手方為信譽良好的銀行，現金及現金等價物以及存款證的信貸風險有限。

本集團面臨短期投資（指投資由銀行運作的金融產品）的信貸集中風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group has concentration of credit risk in respect of amounts due from the IOT Hospitals and the Sponsored Hospitals, including receivables from the IOT Hospitals, loan to a sponsored hospital, trade receivables from all the IOT Hospitals and the Sponsored Hospitals, and amounts due from related parties. Details of the balances with IOT Hospitals, balances with the Sponsored Hospitals and amounts due from related parties are set out in Notes 7 and 40.2 respectively. The Group monitors the exposure to credit risk on an ongoing basis and credit evaluation is performed on each of the IOT Hospital, the Sponsored Hospital and the related party. In order to minimise the credit risk, the Group have reviewed the recoverability of receivables from the IOT Hospitals, loan to a sponsored hospital, trade receivables from all the IOT Hospitals and the Sponsored Hospitals, and the amounts due from related parties to ensure that follow-up action is taken timely. Therefore the Group's management concludes the exposure to bad debt is not significant. Under such circumstances, the management considers that the Group's credit risk is not significant.

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.

The following table details the Group's remaining contractual maturity for its 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. The table includes both interest and principal cash flows.

42. 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 (續)

在應收IOT醫院款項及應收舉辦醫院款項(包括來自IOT醫院之應收款項、向一間舉辦醫院提供的貸款、來自所有IOT醫院及舉辦醫院的應收貿易款項及應收關聯方款項)方面,本集團面臨信貸集中風險。與IOT醫院的結餘、舉辦醫院的結餘及應收關聯方款項之詳情分別載於附註7及40.2。本集團持續監控信貸風險並對每間IOT醫院、舉辦醫院及關聯方進行信貸評估。為最大限度減低信貸風險,本集團已審查來自IOT醫院之應收款項、向一間舉辦醫院提供的貸款、來自所有IOT醫院及舉辦醫院的應收貿易款項及應收關聯方款項的可收回程度,確保及時採取後續行動。因此,本集團管理層認為壞賬風險敞口不大。在此情況下,管理層認為本集團的信貸風險不大。

流動資金風險

管理流動資金風險時,本集團管理層監控並將現金及現金等價物維持在合理且管理層認為充足之水平,以撥支本集團之營運所需並緩解現金流量波動的影響。管理層倚賴經營活動產生的現金。

下表詳述本集團金融負債的餘下合約到期時間。下表根據本集團可被要求付款之最早日期按金融負債之未貼現現金流量編製。該表同時包括利息及本金現金流量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

42. 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 (續)

	On demand or within one month 按要求或 一個月內 RMB'000 人民幣千元	1-3 months 1至3個月 RMB'000 人民幣千元	3 months to 1 year 3個月至1年 RMB'000 人民幣千元	1-5 years RMB'000 人民幣千元	>5 years RMB'000 人民幣千元	Total undiscounted cash flows 未貼現 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
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As at 31 December 2016 於2016年12月31日

Financial liabilities	金融負債							
Trade payables	應付貿易款項	145,384	97,317	56	-	-	242,757	242,757
Other payables	其他應付款項	24,384	21,550	7,999	-	-	53,933	53,933
Amounts due to related parties	應付關聯方款項	5,280	1,213	421	-	-	6,914	6,914
Payables to the Sponsored Hospitals	應付舉辦醫院款項	369,344	-	-	-	-	369,344	369,344
Total	總計	544,392	120,080	8,476	-	-	672,948	672,948

As at 31 December 2015 於2015年12月31日

Financial liabilities	金融負債							
Trade payables	應付貿易款項	125,726	83,817	-	-	-	209,543	209,543
Other payables	其他應付款項	10,083	6,722	-	-	-	16,805	16,805
Total	總計	135,809	90,539	-	-	-	226,348	226,348

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

(continued)

Fair value of financial instruments

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

42. 金融工具及金融風險管理 (續)

金融工具公允價值

本集團部分金融資產按各報告期末之公允價值計量。下表載列有關如何釐定該等金融資產之公允價值（特別是估值方法及所採用輸入值），及按計量公允價值所採用的輸入值之可觀察程度將公允價值計量劃分為不同公允價值層級之資料。

Financial assets 金融資產	Fair value as at (RMB'000) 於以下日期之公允價值 (人民幣千元)		Fair value hierarchy 公允價值層級	Valuation technique(s) and key input(s) 估值方法及主要輸入值
	31 December 2016 2016年 12月31日	31 December 2015 2015年 12月31日		
Mutual funds (Note 28) 共同基金（附註28）	–	45,000	Level 1 第一級	Quoted bid prices in an active market 活躍市場報價
Financial products (Note 28) 金融產品（附註28）	66,400	29,990	Level 2 第二級	Determined in accordance with generally accepted pricing models based on discounted cash flow analysis. Future cash flows are estimated based on return rates. 採用公認定價模型按貼現現金流量分析釐定。未來現金流量基於回報利率估計。

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in these consolidated financial statements approximate their fair values.

董事認為，在該等綜合財務報表中按攤銷成本列賬之金融資產及金融負債之賬面值與彼等之公允價值相約。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

The Company has the following principal subsidiaries as at 31 December 2016:

43. 本公司主要附屬公司的詳情

於2016年12月31日，本公司擁有以下主要附屬公司：

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足股本 ／註冊資本	Proportion of ownership interest and voting power held by the Group 本集團持有之所有權權益及投票權比例		Principal activities 主要業務
			31 December 2016 2016年12月31日 %	31 December 2015 2015年12月31日 %	
Beijing Phoenix 北京鳳凰	The PRC 中國	RMB500,000,000 人民幣 500,000,000元	100.00	100.00	Investment holding and hospital management 投資控股及醫院管理
Jian Gong Hospital* 健宮醫院*	The PRC 12 May 2003 中國 2003年5月12日	RMB420,552,600 人民幣 420,552,600元	80.00	80.00	General healthcare services 綜合醫療服務
Beijing Wannong Yi kang Medical Pharmaceutical Co., Ltd.* 北京萬榮億康醫藥有限公司*	The PRC 20 March 2000 中國 2003年5月12日	RMB3,000,000 人民幣3,000,000元	100.00	100.00	GPO business GPO業務
Beijing Phoenix Jiayi Medical Devices Co., Ltd.* 北京鳳凰佳益醫療器械有限公司*	The PRC 9 December 2004 中國 2004年12月9日	RMB4,000,000 人民幣4,000,000元	100.00	100.00	GPO business GPO業務
Beijing Phoenix Easylife Healthcare Consulting Co., Ltd.* 北京鳳凰益生醫學技術諮詢有限公司*	The PRC 18 January 2008 中國 2008年1月18日	RMB1,000,000 人民幣1,000,000元	100.00	100.00	Other hospital-derived services 其他醫院衍生服務
Beijing Phoenix Easylife Technology and Trade Co., Ltd.* 北京鳳凰益生科貿有限公司*	The PRC 28 April 2011 中國 2011年4月28日	RMB500,000 人民幣500,000元	100.00	100.00	GPO business GPO業務
Beijing Easylife Xinnuo Laundry Service Co., Ltd.* 北京益生信諾洗衣服務有限公司*	The PRC 11 October 2013 中國 2013年10月11日	RMB500,000 人民幣500,000元	100.00	100.00	GPO business GPO業務
Easylife Yongxin (Beijing) Trade Co., Ltd.* 益生永信(北京)商貿有限公司*	The PRC 8 November 2013 中國 2013年11月8日	RMB500,000 人民幣500,000元	100.00	100.00	GPO business GPO業務

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

43. 本公司主要附屬公司的詳情 (續)

(Continued)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	Proportion of ownership interest and voting power held by the Group 本集團持有之所有權權益 及投票權比例		Principal activities 主要業務
			31 December 2016 2016年 12月31日 %	31 December 2015 2015年 12月31日 %	
Unison Champ Limited ("Unison Champ") Unison Champ Limited ("Unison Champ")	The BVI 7 January 2013 英屬維京群島 2013年1月7日	USD1 1美元	100.00	100.00	Investment holding 投資控股
Pinyu Pinyu	The BVI 3 January 2013 英屬維京群島 2013年1月3日	USD1 1美元	100.00	100.00	Investment holding 投資控股
Phoenix Healthcare International Investment Limited 鳳凰醫療國際投資有限公司	Hong Kong 28 August 2012 香港 2012年8月28日	USD1 1美元	100.00	100.00	Investment holding 投資控股
Star Target Investments Limited 星通投資有限公司	Hong Kong 3 January 2013 香港 2013年1月3日	USD1 1美元	100.00	100.00	Investment holding 投資控股
Phoenix Baoding Healthcare Hospital Management Co., Ltd.*/# 鳳凰保康醫院管理有限公司*/#	The PRC 1 April 2016 中國 2016年4月1日	USD5,000,000/ USD8,000,000 5,000,000美元/ 8,000,000美元	100.00	N/A 不適用	Hospital management 醫院管理
Beijing Phoenix United Innovation Management Consulting Co., Ltd.*/# 北京鳳凰合眾創新管理諮詢有限公司*/#	The PRC 20 April 2016 中國 2016年4月20日	RMB10,000/ RMB20,000,000 人民幣10,000元/ 人民幣20,000,000元	100.00	N/A 不適用	Other hospital-derived services 其他醫院衍生服務
Beijing Phoenix Yisheng UCC Clinic Management Co., Ltd.*/# 北京鳳凰益生診所管理有限公司*/#	The PRC 5 August 2016 中國 2016年8月5日	RMB10,000/ RMB120,000,000 人民幣10,000元/ 人民幣120,000,000元	100.00	N/A 不適用	Other hospital-derived services 其他醫院衍生服務
Beijing Phoenix United Innovation Information Technology Co., Ltd.*/# 北京鳳凰聯創信息技術有限公司*/#	The PRC 20 April 2016 中國 2016年4月20日	RMB10,000/ RMB10,000,000 人民幣10,000元/ 人民幣10,000,000元	100.00	N/A 不適用	Other hospital-derived services 其他醫院衍生服務
Beijing Lihetang Healthcare Management Co., Ltd.*/# 北京理和堂健康管理有限公司*/#	The PRC 1 June 2016 中國 2016年6月1日	RMB1,000,000 人民幣1,000,000元	100.00	N/A 不適用	Other hospital-derived services 其他醫院衍生服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

43. 本公司主要附屬公司的詳情 (續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足股本 / 註冊資本	Proportion of ownership interest and voting power held by the Group 本集團持有之所有權權益及投票權比例		Principal activities 主要業務
			31 December 2016 2016年12月31日 %	31 December 2015 2015年12月31日 %	
Ample Mighty** 廣雄**	The BVI 28 October 2011 英屬維京群島 2011年10月28日	USD50,000 50,000美元	100.00	N/A 不適用	Investment holding 投資控股
China Resources Hospital Investment Limited** 華潤醫院投資管理有限公司**	Hong Kong 28 October 2011 香港 2011年10月28日	HKD1 1港元	100.00	N/A 不適用	Investment holding 投資控股
Shenzhen Yukangrun** 深圳市裕康潤醫院管理有限公司**	The PRC 21 January 2016 中國 2016年1月21日	RMB10,000 人民幣10,000元	100.00	N/A 不適用	Investment holding 投資控股
CR Hospital Investment** 華潤醫院投資中國有限公司**	The PRC 23 October 2012 中國 2012年10月23日	USD40,000,000/ USD100,000,000 40,000,000美元/ 100,000,000美元	100.00	N/A 不適用	Hospital consulting services 醫院諮詢服務
China Resources Hospital Management Co., Ltd** 華潤醫院管理有限公司**	The PRC 9 May 2014 中國 2014年5月9日	USD2,000,000/ USD10,000,000 2,000,000美元/ 10,000,000美元	100.00	N/A 不適用	Hospital consulting services 醫院諮詢服務
CR Hospital Holding** 華潤醫院控股有限公司**	The PRC 20 July 2012 中國 2012年7月20日	RMB52,000,000 人民幣52,000,000元	100.00	N/A 不適用	Hospital consulting services 醫院諮詢服務
999 Clinic** 三九醫療門診部(深圳) 有限責任公司**	The PRC 25 November 2015 中國 2015年11月25日	RMB4,000,000 人民幣4,000,000元	100.00	N/A 不適用	General healthcare services 綜合醫療服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

- * The entities are subsidiaries of Beijing Phoenix.
- ** The entities are acquired through the Acquisition during the year as disclosed in Note 34.
- # The entities are subsidiaries newly established during 2016.

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

Notes:

- (i) All of the subsidiaries incorporated 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.

43. 本公司主要附屬公司的詳情 (續)

- * 該等實體為北京鳳凰之附屬公司。
- ** 該等實體乃透過收購於附註34中所披露之年份期間獲得。
- # 該等實體乃於2016年內新成立之附屬公司。

上表載列董事認為主要影響本集團業績或資產之本集團附屬公司。董事認為，提供其他附屬公司詳情將導致資料過於冗贅。

附註：

- (i) 所有於中國註冊成立的附屬公司均根據中國法律登記為有限責任公司。
- (ii) 於本年度末，概無附屬公司發行任何債務證券。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

44. 本公司財務狀況及儲備報表

		At 31 December 於12月31日	
		2016 2016年 RMB'000 人民幣千元	2015 2015年 RMB'000 人民幣千元
		Notes 附註	
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	(i)	6,076,813
Amounts due from subsidiaries	應收附屬公司款項		137,071
			6,213,884
Current assets	流動資產		
Cash and cash equivalents	現金及現金等價物		18,640
			18,640
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項		31,788
Dividends payables	應付股息		–
Other payables	其他應付款項		16,673
			48,461
Net current liabilities	流動負債淨值		(29,821)
Total assets less current liabilities	總資產減流動負債		6,184,063
Capital and reserves	股本及儲備		
Share capital	股本	36	267
Share premium and reserves	股份溢價及儲備	(ii)	6,183,796
Total equity	總權益		6,184,063

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(Continued)

Notes:

- (i) As at 31 December 2016, the Company's balance of investment in a subsidiary mainly represents its investment cost in Unison Champ of 1 US dollar (2015:1 US dollar), the deemed investments arising from the waiver of amounts due from subsidiaries pursuant to the relevant written statements made by the Company during 2016 and during 2014 and the equity contribution to subsidiaries arising from the share based payment arrangements involving equity instruments of the Company.
- (ii) Movement in the Company's reserves is as follows:

44. 本公司財務狀況及儲備報表 (續)

附註：

- (i) 於2016年12月31日，本公司於一間附屬公司的投資結餘主要指其於Unison Champ的投資成本1美元（2015年：1美元），因根據本公司於2016年及2014年作出的相關書面聲明豁免應收附屬公司款項而產生的視作投資，以及涉及本公司權益工具的以股份付款安排所產生的向附屬公司股權出資。
- (ii) 本公司的儲備變動如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Capital reserve 股本儲備 RMB'000 人民幣千元	Treasury share reserve 庫存股份儲備 RMB'000 人民幣千元	Share-based payment reserve 以股份付款儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2015	於2015年1月1日	1,497,815	-	(175,684)	-	(33,511)	1,288,620
Purchase of shares under Share Award Scheme	根據股份獎勵計劃 購買股份	-	-	(23,892)	-	-	(23,892)
Recognition of equity-settled share based payments	確認按權益結算 以股份付款	-	-	-	39,753	-	39,753
Shares vested under the Share Award Scheme	根據股份獎勵計劃 歸屬之股份	-	(2,877)	58,848	(8,438)	-	47,533
Dividend	股息	(115,079)	-	-	-	-	(115,079)
Loss and total comprehensive expense for the year	年度虧損及 全面開支總額	-	-	-	-	(28,226)	(28,226)
At 31 December 2015	於2015年12月31日	1,382,736	(2,877)	(140,728)	31,315	(61,737)	1,208,709
Issue of shares for acquisition of business	為收購業務而 發行之股份	4,982,499	-	-	-	-	4,982,499
Recognition of equity-settled share based payments	確認按權益結算 以股份付款	-	-	-	20,949	-	20,949
Shares vested under the Share Award Scheme	根據股份獎勵 計劃歸屬之股份	-	3,745	26,545	(30,290)	-	-
Loss and total comprehensive expense for the year	年度虧損及 全面開支總額	-	-	-	-	(29,534)	(29,534)
Others	其他	711	-	462	-	-	1,173
At 31 December 2016	於2016年12月31日	6,365,946	868	(113,721)	21,974	(91,271)	6,183,796

Financial Summary – In Accordance with International Financial Reporting Standards

財務摘要 – 根據國際財務報告準則

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

		2016	2015	2014	2013	2012
		2016年	2015年	2014年	2013年	2012年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
CONSOLIDATED RESULTS	綜合業績					
Revenue	收益	1,532,831	1,372,267	1,206,265	887,354	758,032
Profit (loss) before tax	稅前利潤(虧損)	(1,452,481)	247,968	316,759	143,009	147,278
Income tax expense	所得稅開支	(47,331)	(75,554)	(77,230)	(46,865)	(36,544)
Profit (loss) for the year	年度利潤(虧損)	(1,499,812)	172,414	239,529	96,144	110,734
Attributable to:	以下人士應佔:					
Equity holders of the Company	本公司權益持有人	(1,506,964)	167,045	230,051	89,992	101,088
Non-controlling interests	非控股權益	7,152	5,369	9,478	6,152	9,646
		(1,499,812)	172,414	239,529	96,144	110,734

As at 31 December
於12月31日

		2016	2015	2014	2013	2012
		2016年	2015年	2014年	2013年	2012年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	6,448,336	2,255,469	2,011,906	2,124,038	1,020,860
Total liabilities	總負債	(1,090,806)	(392,737)	(276,662)	(408,184)	(443,102)
		5,357,530	1,862,732	1,735,244	1,715,854	577,758
Equity attributable to:	以下人士應佔權益:					
Equity holders of the Company	本公司權益持有人	5,238,379	1,747,878	1,627,112	1,617,200	485,256
Non-controlling interests	非控股權益	119,151	114,854	108,132	98,654	92,502
		5,357,530	1,862,732	1,735,244	1,715,854	577,758

Definitions

釋義

“Ample Mighty”	Ample Mighty Limited, a company incorporated under the laws of BVI and a wholly-owned subsidiary of CR Healthcare Group
“Articles of Association” or “Articles”	the articles of association of our Company adopted on September 30, 2013 and as amended from time to time
“Audit Committee”	the audit committee of the Board
“Award Shares”	such Shares awarded pursuant to the Share Award Scheme, the maximum number of which shall not exceed 5% of the total issued capital of the Company as at July 7, 2014 and 1% of the total number issued Shares to each of the Selected Participant as at July 7, 2014
“Beijing Easylife”	Beijing Phoenix Easylife Healthcare Consulting Co., Ltd. (北京鳳凰益生醫學技術諮詢有限公司), a limited liability company established under the laws of the PRC on January 18, 2008, and a wholly-owned subsidiary of our Group
“Beijing Jiayi”	Beijing Phoenix Jiayi Medical Devices Co., Ltd. (北京鳳凰佳益醫療器械有限公司), formerly known as Beijing Phoenix Luoke Medical Technology Co., Ltd. (北京鳳凰洛克醫學技術有限公司) and Phoenix Wanfeng Medical Technology (Beijing) Co., Ltd. (鳳凰萬峰醫學技術(北京)有限公司), a limited liability company incorporated under the laws of the PRC on December 9, 2004, and a wholly-owned subsidiary of our Company
“Beijing Juxin Wantong”	Beijing Juxin Wantong Investment Co., Ltd. (北京聚信萬同投資有限公司), formerly known as Phoenix United Hospital Management (Beijing) Co., Ltd. (鳳凰聯盟醫院管理(北京)有限公司) and Phoenix Healthcare Investment Management (Beijing) Co., Ltd. (鳳凰醫療投資管理(北京)有限公司), a limited liability company established under the laws of the PRC on June 9, 2003, and a wholly-owned subsidiary of Beijing Wantong and a connected person to our Company
“Beijing Phoenix”	Beijing Phoenix United Hospital Management Consulting Co. Ltd. (北京鳳凰聯合醫院管理諮詢有限公司), formerly known as Beijing Phoenix United Hospital Management Co., Ltd. (北京鳳凰聯合醫院管理有限公司) and Beijing Phoenix United Hospital Management Joint Stock Co., Ltd. (北京鳳凰聯合醫院管理股份有限公司), a limited liability company established under the laws of the PRC on November 6, 2007, and a wholly-owned subsidiary of our Company
“Beijing Wanrong”	Beijing Wanrong Yikang Medical Pharmaceutical Co., Ltd. (北京萬榮億康醫藥有限公司), a limited liability company incorporated under the laws of the PRC on March 20, 2000, and a wholly-owned subsidiary of our Company

Definitions 釋義

「廣雄」	指	廣雄有限公司，一間根據英屬維京群島法律註冊成立的公司，為華潤醫療集團的全資附屬公司
「組織章程細則」、 「章程細則」或「細則」	指	本公司於2013年9月30日採納並不時修訂的組織章程細則
「審核委員會」	指	董事會審核委員會
「獎勵股份」	指	根據股份獎勵計劃賞予的該等股份，其最高數目不得超過本公司於2014年7月7日已發行股本總數的5%及於2014年7月7日發行予各獲選參與者已發行股份總數的1%
「北京益生」	指	北京鳳凰益生醫學技術諮詢有限公司，一間於2008年1月18日根據中國法律成立的有限責任公司，為本集團全資附屬公司
「北京佳益」	指	北京鳳凰佳益醫療器械有限公司（前稱北京鳳凰洛克醫學技術有限公司及鳳凰萬峰醫學技術（北京）有限公司），一間於2004年12月9日根據中國法律註冊成立的有限責任公司，為本公司全資附屬公司
「北京聚信萬同」	指	北京聚信萬同投資有限公司（前稱鳳凰聯盟醫院管理（北京）有限公司及鳳凰醫療投資管理（北京）有限公司），一間於2003年6月9日根據中國法律成立的有限責任公司，為北京萬同的全資附屬公司及本公司關連人士
「北京鳳凰」	指	北京鳳凰聯合醫院管理諮詢有限公司（前稱北京鳳凰聯合醫院管理有限公司及北京鳳凰聯合醫院管理股份有限公司），一間於2007年11月6日根據中國法律成立的有限責任公司，為本公司全資附屬公司
「北京萬榮」	指	北京萬榮億康醫藥有限公司，一間於2000年3月20日根據中國法律註冊成立的有限責任公司，為本公司的全資附屬公司

“Beijing Wantong”	Beijing Phoenix Wantong Investment Management Co., Ltd. (北京鳳凰萬同投資管理有限公司), formerly known as Phoenix Hospital Management (Beijing) Co., Ltd. (鳳凰醫院管理(北京)有限公司), a limited liability company incorporated under the laws of the PRC on April 24, 2002
“Board” or “Board of Directors”	the board of Directors of our Company
“BVI”	the British Virgin Islands
“CAGR”	Compound Annual Growth Rate
“CG Code”	Corporate Governance Code as set out in Appendix 14 to the Listing Rules
“Chairman”	the chairman of our Board
“Chief Executive Officer”	the chief executive officer of our Company
“Chief Financial Officer”	the chief financial officer of our Company
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this report, Taiwan, the Macau Special Administrative Region and Hong Kong
“CITIC Medical”	CITIC Medical & Health Group Co., Ltd (中信醫療健康產業集團有限公司), a company incorporated in the PRC with limited liability
“CITIC Kingview”	CITIC Kingview Capital Management Co., Ltd. (中信錦繡資本管理有限責任公司), a company incorporated in the PRC with limited liability, the shareholders of which are CITIC Trust Co., Ltd., CITIC Capital Holdings Limited and China CITIC Limited
“Company” or “our Company” or “CR Phoenix”	China Resources Phoenix Healthcare Holdings Company Limited (華潤鳳凰醫療控股有限公司), a company incorporated in the Cayman Islands with limited liability on February 28, 2013
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules, or where the context requires, refers to Ms. Xu Jie (徐捷), Ms. Xu Xiaojie (徐小捷), Mr. Xu Bao Rui (徐寶瑞) and Speed Key Limited or any of them
“CR Bank”	China Resources Bank of Zhuhai Co., Ltd.

Definitions 釋義

「北京萬同」	指	北京鳳凰萬同投資管理有限公司（前稱鳳凰醫院管理（北京）有限公司），一間於2002年4月24日根據中國法律註冊成立的有限責任公司
「董事會」	指	本公司董事會
「英屬維京群島」	指	英屬維京群島
「複合年增長率」	指	複合年增長率
「企業管治守則」	指	上市規則附錄十四所載的企業管治守則
「董事長」	指	董事會董事長
「行政總裁」	指	本公司行政總裁
「首席財務官」	指	本公司首席財務官
「中國」	指	中華人民共和國；就本報告而言，不包括台灣、澳門特別行政區及香港
「中信醫療」	指	中信醫療健康產業集團有限公司，一間於中國註冊成立的有限責任公司
「中信錦繡」	指	中信錦繡資本管理有限責任公司，一間於中國註冊成立的有限公司，股東分別為中信信託有限責任公司、中信資本控股有限公司及中國中信有限公司
「本公司」或「華潤鳳凰」	指	華潤鳳凰醫療控股有限公司，一間於2013年2月28日在開曼群島註冊成立的有限責任公司
「公司條例」	指	經不時修訂、補充或以其他方式修改的香港法例第622章公司條例
「控股股東」	指	具有上市規則所賦予該詞的涵義，視乎文義而定，指徐捷、徐小捷、徐寶瑞及Speed Key Limited或其中任何一方
「珠海華潤銀行」	指	珠海華潤銀行股份有限公司

“CR Healthcare Group”	China Resources Healthcare Group Limited, a company incorporated under the laws of Hong Kong
“CR Holdings”	China Resources (Holdings) Company Limited (華潤(集團)有限公司), a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of China Resources Co., Limited (華潤股份有限公司) and the indirect holding company of CR Healthcare Group
“Director(s)”	the directors of our Company or any of them
“Eligible Persons”	any of the (i) key management personnel including the Directors and senior management of the Group; (ii) employed experts as nominated by the Board; and (iii) core employees of the Group
“Executive General Manager”	the executive general manager of our Company
“FY2015”	the financial year ended December 31, 2015
“FY2016”	the financial year ended December 31, 2016
“GDP”	gross domestic product
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries
“Hangzhou Hospitals”	Hangzhou Plastic Surgery Hospital Co., Ltd. (杭州整形醫院有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of CITIC Medical, and its branch, Hangzhou Hand Surgery Hospital (杭州手外科醫院)
“HK\$” or “HKD” and “cent(s)”	Hong Kong dollar and cent(s) respectively, the lawful currency of Hong Kong
“Hong Hui”	Hong Hui Pharmaceutical Co., Ltd. (紅惠醫藥有限公司), a limited liability company established under the laws of the PRC on March 15, 1994, a supplier of the Group
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huizhou Hospital”	CITIC Huizhou Hospital Co., Ltd (中信惠州醫院有限公司), a company incorporated in the PRC with limited liability, of which 60% is owned by CITIC Medical and 40% is owned by CITIC Kingview

Definitions 釋義

「華潤醫療集團」	指	華潤醫療集團有限公司，一間根據香港法律註冊成立的公司
「華潤集團」	指	華潤(集團)有限公司，一間於香港註冊成立的有限公司，為華潤股份有限公司的全資附屬公司及華潤醫療集團的間接控股公司
「董事」	指	本公司全體董事或任何一位董事
「合資格人士」	指	任何(i)主要管理人員，包括本集團的董事及高級管理層；(ii)由董事會提名的受聘專家；及(iii)本集團的核心僱員
「執行總經理」	指	本公司執行總經理
「2015年財年」	指	截至2015年12月31日止財政年度
「2016年財年」	指	截至2016年12月31日止財政年度
「國民生產總值」	指	國民生產總值
「本集團」	指	本公司及其附屬公司
「杭州醫院」	指	杭州整形醫院有限公司，一間於中國註冊成立的有限責任公司及中信醫療的全資附屬公司，以及其分公司杭州手外科醫院
「港元」和「港仙」	指	分別為港元及仙，香港法定貨幣
「紅惠」	指	紅惠醫藥有限公司，一間於1994年3月15日根據中國法律成立的有限責任公司，為本集團的一位供應商
「香港」	指	中國香港特別行政區
「惠州醫院」	指	中信惠州醫院有限公司，一間於中國註冊成立的有限公司，其60%股權由中信醫療擁有，40%股權由中信錦繡擁有

“IFRSs”	International Financial Reporting Standards
“IOT”	the “invest-operate-transfer” model
“IOT hospitals and clinics”	third-party hospitals and clinics, which we manage and operate under the IOT model
“Jian Gong Hospital”	Beijing Jian Gong Hospital Co., Ltd. (北京市健宮醫院有限公司), a limited liability company established under the laws of the PRC on May 12, 2003 and a subsidiary of our Company, and its predecessor, Beijing Construction Worker Hospital (北京市建築工人醫院), before its reform
“Jing Mei Hospital”	Jing Mei Hospital (北京京煤集團總醫院), a not-for-profit hospital established under the laws of the PRC in 1956 and wholly owned by Beijing Coal, which we began managing in May 2011 pursuant to the Jing Mei IOT Agreement
“Jing Mei Hospital Group”	collectively, Jing Mei Hospital and seven Grade I hospitals and 11 community clinics affiliated with Jing Mei Hospital
“JV Company”	UMP Phoenix Healthcare Limited, a limited liability company incorporated in the BVI, which is held as to 50% by Pinyu and 50% by UMP China
“Listing Date”	the date on which dealings in the Shares first commence on the Stock Exchange, i.e. November 29, 2013
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mentougou Hospital”	Beijing Mentougou Hospital (北京市門頭溝區醫院), a not-for-profit hospital established under the laws of the PRC in 1951 and wholly owned by the Mentougou District government, which we began managing in June 2010 pursuant to the Mentougou IOT Agreement
“Mentougou Hospital for Women and Children”	Mentougou Hospital for Women and Children (門頭溝區婦幼保健院) incorporated under the laws of the PRC in 1983 and wholly owned by the Mentougou District government, which we began managing in September 2014 pursuant to the Mentougou Hospital for Women and Children IOT Agreement
“Mentougou Hospital for Women and Children IOT Agreement”	the IOT agreement we entered into with the Mentougou District government on September 23, 2014
“Mentougou IOT Agreement”	collectively, the IOT agreement we entered into with the Mentougou District government on July 30, 2010, as amended

Definitions 釋義

「國際財務報告準則」	指	國際財務報告準則
「IOT」	指	「投資－營運－移交」模式
「IOT醫院及診所」	指	本集團採用IOT模式管理和營運的第三方廠商醫院及診所
「健宮醫院」	指	北京市健宮醫院有限公司（改組前為北京市建築工人醫院），一間於2003年5月12日根據中國法律註冊成立的有限責任公司，為本公司附屬公司
「京煤醫院」	指	北京京煤集團總醫院，一家由北京京煤全資擁有的非營利醫院，於1956年根據中國法律成立，本集團根據京煤IOT協議於2011年5月開始對其進行管理
「京煤醫院集團」	指	京煤醫院及其附屬的七家一級醫院和11家社區診所的統稱
「合營公司」	指	鳳凰聯合醫療有限公司，一間在英屬維京群島註冊成立的有限責任公司，由Pinyu及UMP China各持股50%
「上市日期」	指	股份首次開始於聯交所買賣當日（即2013年11月29日）
「上市規則」	指	聯交所證券上市規則
「門頭溝區醫院」	指	北京市門頭溝區醫院，一家由門頭溝區政府全資擁有的非營利醫院，於1951年根據中國法律成立，本集團根據門頭溝IOT協議於2010年6月開始對其進行管理
「門頭溝區婦幼保健院」	指	門頭溝區婦幼保健院，於1983年根據中國法律註冊成立，由門頭溝區政府全資擁有，本集團根據門頭溝區婦幼保健院IOT協議於2014年9月開始對其進行管理
「門頭溝區婦幼保健院IOT協議」	指	本集團與門頭溝區政府於2014年9月23日訂立之IOT協議
「門頭溝IOT協議」	指	本集團與門頭溝區政府於2010年7月30日訂立的IOT協議（經修訂）的統稱

“Mentougou TCM Hospital IOT Agreement”	the IOT agreement we entered into with the Mentougou District government on June 6, 2012
“Mentougou Traditional Chinese Medicine Hospital”	Mentougou Traditional Chinese Medicine Hospital (北京市門頭溝區中醫院), a not-for-profit hospital established under the laws of the PRC in 1956 and wholly owned by the Mentougou District government, which we began managing in June 2012 pursuant to the Mentougou TCM Hospital IOT Agreement
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“NHFPC”	National Health and Family Planning Commission of the PRC
“Nomination Committee”	the nomination committee of the Board
“Pinyu”	Pinyu Limited, a limited liability company incorporated in the BVI on January 3, 2013, a wholly-owned subsidiary of our Company
“Prospectus”	the prospectus of the Company dated November 18, 2013
“PMM”	pharmaceuticals, medical device and medical consumables
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	the period from January 1, 2016 to December 31, 2016
“RMB”	Renminbi, the lawful currency of the PRC
“Selected Participant(s)”	Eligible Persons selected by the Board in accordance with the terms of the Share Award Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) with par value of HK\$0.00025 each in the capital of our Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Award Scheme”	the share award scheme of the Company adopted by the Board pursuant to a resolution passed by the Board on July 7, 2014, as amended by the Board on May 25, 2015
“Share Option Scheme”	the share option scheme conditionally adopted by the Company pursuant to a resolution passed by our Shareholders on September 30, 2013
“Speed Key Limited”	a limited liability company incorporated in the BVI on January 30, 2013, a Controlling Shareholder and a connected person to our Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

Definitions 釋義

「門頭溝區中醫院IOT協議」	指	本集團與門頭溝區政府於2012年6月6日訂立的IOT協議
「門頭溝區中醫院」	指	北京市門頭溝區中醫院，一家由門頭溝區政府全資擁有的非營利醫院，於1956年根據中國法律成立，本集團根據門頭溝區中醫院IOT協議於2012年6月開始對其進行管理
「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
「衛計委」	指	中國國家衛生和計劃生育委員會
「提名委員會」	指	董事會提名委員會
「Pinyu」	指	Pinyu Limited，一間於2013年1月3日在英屬維京群島註冊成立的有限責任公司，為本公司的全資附屬公司
「招股章程」	指	本公司日期為2013年11月18日的招股章程
「藥品、醫療器械及醫用耗材」	指	藥品、醫療器械及醫用耗材
「薪酬委員會」	指	董事會薪酬委員會
「報告期間」	指	2016年1月1日至2016年12月31日期間
「人民幣」	指	人民幣，中國法定貨幣
「獲選參與者」	指	董事會根據股份獎勵計劃條款挑選的合資格人士
「證券及期貨條例」	指	香港法例第571章證券及期貨條例（經不時修訂、補充或以其他方式修改）
「股份」	指	本公司股本中每股面值0.00025港元的股份
「股東」	指	股份持有人
「股份獎勵計劃」	指	董事會根據董事會於2014年7月7日通過的一項決議案所採納的本公司股份獎勵計劃，經董事會於2015年5月25日修訂
「購股權計劃」	指	本公司依據於2013年9月30日通過的股東決議案有條件採納的購股權計劃
「Speed Key Limited」	指	一間於2013年1月30日在英屬維京群島註冊成立的有限責任公司，為本公司控股股東及關連人士
「聯交所」	指	香港聯合交易所有限公司

“Syndicated Loan Agreement”	the agreement we entered into with a consortium of lenders led by Deutsche Bank AG on February 4, 2015, whereby the Company was granted a facility in the aggregate sum of US\$150.0 million with a repayment term of three years (which is extendable for another two years after the initial three-year term), the interest rate of which is determined with reference to the three-month London Interbank Offered Rate plus 3.15% per annum
“True Point”	True Point Holdings Limited, a limited liability company incorporated in the BVI
“UMP China”	UMP Healthcare China Limited, a limited liability company incorporated in the Cayman Islands, and a direct wholly-owned subsidiary of UMP Healthcare Holdings
“UMP Healthcare Holdings”	UMP Healthcare Holdings Limited (聯合醫務集團有限公司), a limited liability company incorporated in the Cayman Islands, whose shares are listed on the Stock Exchange (Stock Code: 722)
“U.S. dollar” or “US\$”	United States dollar, the lawful currency of the United States
“United States” or “U.S.”	the United States of America, its territories and possessions, and all areas subject to its jurisdiction
“Yan Hua Hospital”	Yan Hua Hospital (北京燕化醫院), a not-for-profit hospital established under the laws of the PRC in 1973 and wholly owned by Yan Hua Phoenix, which we started to manage and operate in February 2008 pursuant to the Yan Hua IOT Agreement and a connected person of our Company
“Yan Hua Hospital Group”	collectively, Yan Hua Hospital and 17 community clinics affiliated with Yan Hua Hospital
“Yan Hua IOT Agreement”	collectively, the IOT agreement we entered into with Yan Hua Hospital Group and Yan Hua Phoenix on February 1, 2008, as amended
“Yan Hua Phoenix”	Beijing Yan Hua Phoenix Healthcare Asset Management Co., Ltd. (北京燕化鳳凰醫療資產管理有限公司), a limited liability company incorporated under the laws of the PRC on July 18, 2005, a wholly-owned subsidiary of Beijing Juxin Wantong and a connected person of our Company

In this report, the terms “associate”, “connected person”, “connected transaction”, “subsidiary” and “substantial shareholder” shall have the same meanings ascribed thereto under in the Listing Rules, unless the context otherwise requires.

Definitions 釋義

「銀團貸款協議」	指	於2015年2月4日，我們與由德意志銀行帶領的貸款方財團訂立的協議，據此，本公司獲授予合共1.5億美元的融資，還款期為三年（可於初始3年期後額外延長2年），年利率經參考三月期倫敦銀行同業拆息加3.15%釐定
「True Point」	指	True Point Holdings Limited，一間在英屬維京群島註冊成立的有限責任公司
「UMP China」	指	UMP Healthcare China Limited，一間在開曼群島註冊成立的有限責任公司，並為聯合醫務控股的直接全資附屬公司
「聯合醫務集團」	指	聯合醫務集團有限公司，一間在開曼群島註冊成立的有限責任公司，其股份於聯交所上市（股份代號：722）
「美元」	指	美元，美國法定貨幣
「美國」	指	美利堅合眾國、其領土及屬地及受其管轄的所有區域
「燕化醫院」	指	北京燕化醫院，燕化鳳凰全資擁有的非營利醫院，於1973年根據中國法律成立，本集團根據燕化IOT協議於2008年2月開始對其進行管理和營運，為本公司關連人士
「燕化醫院集團」	指	燕化醫院及其附屬的17間社區診所的統稱
「燕化IOT協議」	指	本集團與燕化醫院集團和燕化鳳凰於2008年2月1日訂立的IOT協議的統稱（經修訂）
「燕化鳳凰」	指	北京燕化鳳凰醫療資產管理有限公司，一間於2005年7月18日根據中國法律註冊成立的有限責任公司，為北京聚信萬同的全資附屬公司及本公司關連人士

在本報告中，除文義另有所指外，「聯繫人」、「關連人士」、「關連交易」、「附屬公司」及「主要股東」應具有上市規則所賦予該等詞彙的相同涵義。

