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康宁

Wenzhou Kangning Hospital Co., Ltd.
溫州康寧醫院股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(**Stock Code: 2120**)

A A E A CE E F E EA E DED DECE BE 31, 2015

1 DC

1.1 The b a d f di ec (he **B ar**) f We h Ka g i g H i al C ., L d. (he **C mpa y**) i lea ed a ce he c lida ed a al e l f he C a a d i b idia ie (c llec i el , he **r p** , **w**) f he fi a cial ea e ded Dece be 31, 2015 (he **p rt**) i h c a a i e fig e f he ecedi g fi a cial ea e ded Dece be 31, 2014.

1.2 The fi a cial a e e f he G f he Re i g Pe i d (he **F a a tat m t**) a e e a ed i acc da ce i h he I e a i al Fi a cial Re i g S a da d (he **F**).

2 F A C A

2.1 r pa F a a Data a at r

	F r t y ar D m r 31,			
	2015	2014	2013	2012
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Re e e	**343,674**	296,296	226,363	170,813
P fi bef e i c e a	**70,170**	68,567	47,576	17,964
I c e a e e e	**(18,548)**	(17,369)	(11,383)	(4,733)
T al c ehe i e i c e	**51,622**	51,198	36,193	13,231
A ib able :				
E i h lde f he C a	**55,709**	51,198	36,193	13,231
N -c lli g i e e	**(4,087)**			

	A D m r 31,			
	2015	2014	2013	2012
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
T al a e	**1,224,434**	372,339	305,679	226,667
T al liabili	**262,205**	111,249	96,818	202,601
T al e i	**962,229**	261,090	208,861	24,066
E i a ib able :				
O e f he C a	**959,716**	261,090	208,861	24,066
N -c lli g i e e	**2,513**			

3 B E E A D

3.1 B w

I 2015, he G c i l e ha ced he e a i al ca abili ie f i h i al e k, facili a ed e ce ha i g a g i e be h i al a d i ed e a i al efficie c ia ce e - a elli e del. I 2015, he fi e h i al ed b he G e j ed g i g be f bed i e a i , hich i c ea ed f 1,760 bed i 2014 2,010 i 2015, a d high il a i a e f bed , hich ge e a ed able e e e f he G .

While c lida i g h i al b i e , e al ade a egic la i ke egi ac he c a d e e ed a ke i he egi h gh he a e -ligh e e a age e del. I 2015, he G a ed de aki g e e a age e f Ya jia F e H i al f T adi i al Chi e a d We e Medici e* (燕郊輔仁中西醫結合醫院, **a j a F** **p ta**), he chia ic heal hca e de a e f Che gd Re i H i al C a Li i ed* (成都仁一醫院有限公司, a i de e de hi d a e abli hed i he Pe le' Re blic f Chi a (he **C C a**) J e 29, 2010 a d i a e a cha ged f Che gd Jih g H i al C a Li i ed* (成都濟宏醫院有限公司) he c e e J l 28, 2015) a d Beiji g Yi i g H i al C ., L d. (北京怡寧醫院有限公司, **B j** **p ta**), i c ea i g he bed f he edical facili ie de i a age e f 150 i 2014 370 i 2015 a d la i g a lid f da i f f he c ide e a i .

The G ha al a belie ed ha ale a e he G ' c e c e i i e e a d he G i c ea ed i e e i cie ific e ea ch a d ale f e i g. I 2015, he G ' eciali ed e ea ch ea , h e e be e e i c ea ed 12, bli hed 25 a e f diffe e e , 5 f hich e e i c a ed i he Scie ce Ci a i Da aba e, a d la ded a jec f ded b he Na i al Na al Scie ce F da i f he fi i e. A d i e b he e ha ce e f cie ific e ea ch, he be f he G ' d c i c ea ed f 150 a he begi i g f 2015 181 a he e d f 2015, h ca i g a i i ial effec f ale acc la i .

3.2 B t

O Ja a 22, 2016, he C a e e ed i (i) a f a e k ag ee e i h We h Medical U i e i * (溫州醫科大學) i ela i he ed e abli h e a d e a i f he P chia Sch l f We h Medical U i e i * (溫州醫科大學精神醫學學院); a d (ii) a e a d f de a di g i h We h Medical U i e i A e Ma age e C a Li i ed* (溫州醫科大學資產經營有限公司) a d We h G da I f a i Tech l g C a Li i ed* (溫州國大信息科技有限公司) i ela i he ed ac i i i f 51% f he e i i e e i We h G da I e e C a * (溫州國大投資有限公

* *For identification purposes only*

司) b he C a f We h Medical U i e i A e Ma age e C a Li i ed h gh blic biddi g, bjec he e e i g i f ele a f al ag ee e ( ). F de ail , lea e efe he C a ' a ce e da ed Ja a 22, 2016. The P chia Sch l f We h Medical U i e i a e abli hed Ma ch 20, 2016. A f he da e f hi a ce e , he C a ha ac i ed a e i i ee i We h G da I e e C a .

O Ja a 28, 2016, he C a e e ed i a f a e k ag ee e i h M . HUANG Fe g a d M . HUANG Che (c llec i el , he r) i ela i (i) he ed e abli h e f a age c a (he ar t C mpa y) b he Ve d ; (ii) he ed i i f a age e a d c l a c e ice b he Ta ge C a P jia g H a gfe g P chia S ecial H i al* (浦江黃鋒精神專科醫院) a d Ch 'a H a gfe g Ka g'e H i al* (淳安黃鋒康恩醫院); a d (iii) he ed ac i i i f 26% e i i ee a d b e e ca i al i cea e i he Ta ge C a b he C a (he r p ra a t). U he c le i f he P ed T a ac i , i i e ec ed ha he C a ill h ld 51% e i i ee i he Ta ge C a . F de ail , lea e efe he C a ' a ce e da ed Ja a 28, 2016. The Ta ge C a a e abli hed Feb a 5, 2016. A f he da e f hi a ce e , he C a ha e e ed i a ag ee e i ela i he P ed T a ac i .

O Feb a 22, 2016, he C a e e ed i a a e hi ag ee e i h Sha ghai Ji Jia f E i I e e Ma age e C ., L d. (上海金浦健服股權投資管理有限公司, p a), Sha ghai Yi che g A e Ma age e Ce e L.P. (上海銀騁資產管理中心（有限合夥）), Ch g i g I d G ida ce a d E i I e e F d C ., L d. (重慶產業引導股權投資基金有限責任公司), Shi a Medical I e C ., L d. (山東新華醫療器械股份有限公司), Jia g Shaga g G C ., L d. (江蘇沙鋼集團有限公司) a d USUM I e e G C ., L d. (渝商投資集團股份有限公司) i ela i (i) he e abli h e f Ch g i g Ji Heal hca e Se ice I d ial E i I e e F d L.P.* (重慶金浦醫療健康服務產業股權投資基金合夥企業（有限合夥), (he tm t F); a d (ii) he C a ' c ib i f RMB50.0 illi f he b c i i he I e e F d. O he a e da e, he C a a d Ji Jia f , he a agi g a e f he I e e F d, e e ed i a a egic c e a i ag ee e i ela i , a g he , ce ai igh f he C a a li i ed a e f he I e e F d. F de ail , lea e efe he C a ' a ce e da ed Feb a 23, 2016. The I e e F d a e abli hed i he PRC Ma ch 22, 2016. A f he da e f hi a ce e , ch c ib i ha bee ade a d he C a e ec ake ch c ib i i 2016.

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3.3 B t t k

L ki g i he f e, he C a ill f ll le e age he fa able g e e licie i Chi a hich e c age he blic e abli h edical facili ie a d a a d e a d heal hca e facili e k h gh e i g e ed h i al i 2016. I i e ec ed ha Li hai Ka g i g H i al C ., L d.* (臨海康寧醫院有限公司) (a a pta) a d We h Yi i g Ge ia ic H i al C ., L d.* (溫州怡寧老年醫院有限公司) (ratr pta , a h ll - ed b idia f he C a hich a efe ed a he L ia Medical A ea i he ec f he C a da ed N e be 10, 2015 (he r p t) a d h e i ci al b i e i ide edical e ice f he ge ia ic, i cl di g ge ia ic chia ic ch l gical ea e) ill c e ce e a i i he fi half f 2016. A he a e i e, e ill al eed he e a a i f he e i g f Pi g a g Ka g i g H i al* (平陽康寧醫院), Q h Yi i g H i al* (衢州怡寧醫院) a d She he Yi i g H i al* (深圳怡寧醫院), ai i g f he c e ce e a i i he ec d half f 2016.

Mea hile, e ha e la ched he E e e e ial P g a f 100 Pe le (百人創業計劃), a d ill c e i h e a f a ac i g ale a d i eg a i g e ce a d f he e a d he heal hca e facili ie e k f he G h gh a i cha el i 2016. I addi i , he C a ill c i e adhe e belie i g ha ale a e he c e c e i i e e , c e a e i h We h Medical U i e i i e a i g he P chia Sch l f We h Medical U i e i e ha ce i ca abili ie i cie ific e ea ch a d ale f e i g, h ec i g a l f ale f he l g- e de el e f he G .

4 A A E E D C A D A A

4.1 F a a w

4.1.1 Revenue

The G ge e a e e e e ai l h gh he f ll i g a : (i) e e e f e a i g i ed h i al , a d (ii) a age e fee f a agi g heal hca e facili ie .

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Revenue from operating the Group's owned hospitals

Re e e f eaigheG ' edh ial c i f fee chaged f he aie ii a d hei aie e ice a i ai h ial, i cl di g ea e a d ge e al heal hca e e ice, ha ace ical ale a d a cilla h ial e ice. The able bel e f h a b eakd f e e e f a d c f eaig he G ' edh ial f he e i d i dica ed:

	F r t y ar D m r 31, 2015 (RMB'000)	2014 (RMB'000)
T ea e a d ge e al heal hca e e ice	**240,103**	206,790
Pha ace ical ale	**87,740**	77,384
A cilla h ial e ice	**2,270**	1,828
T al e e e	**330,113**	286,002
C f e e e	**206,283**	178,766
G fi	**123,830**	107,236

Re e e f heG ' edh ial a ed RMB330.1 illi , e e e i g a ea- -ea i c ea e f 15.4%, acc i g f 96.1% f he al e e e f he G f he Re i g Pe i d, d e hei c ea e i he a al effec i e e ice ca aci f edh ial a d i a e age i aie e di g e da e bed. Paie ii ecei ed b he fi e f he G ' edh ial hi a e ec d, i h aie ii f a i a el 129,355 (2014: a i a el 119,425) a d i aie bed-da f 689,244 (2014: 615,242). A e age e di g e aie ii i c ea ed RMB486 (2014: a i a el RMB482), a d al a e age i aie e di g e da e bed i c ea ed RMB384 (2014: RMB369), a l d e highe ice f ce ai edical e ice chaged b Ca g a Ka g i g H i al C ., L d. (蒼南康寧醫院有限公司) a d Y gjia Ka g i g H i al C ., L d. (永嘉康寧醫院有限公司) i ce Ma ch 1, 2015 a d Ja a 1, 2015, e ec i el .

Re e e f ea e a d ge e al heal hca e e ice acc ed f 72.7% f e e e f e a i g ed h i al (2014: 72.3%), a d e e e f ha ace ical ale acc ed f 26.6% f e e e f e a i g ed h i al (2014: 27.1%).

C f e e e f he ed h i al f he G i a il c i ed f ha ace ical a d c able ed, e l ee be efi a d e e e, lea i g e e e, de ecia i a d a i a i , ca ee e e e a d e i g fee .

C f e e e f ed h i al i c ea ed RMB206.3 illi , e e e i g a ea- -ea i c ea e f 15.4%, hich a i li e i h he i c ea e f e e e. G fi a gi he ef e a ed a 37.5% (2014: 37.5%).

Management service fee income

The G ’ a age e e ice fee i c e i i a il de i ed f e de i g a age e e ice he heal hca e facili ie . The able bel e f h he b eakd f a age e e ice fee i c e a d c f he e i d i dica ed:

	F r t y ar D m r 31, **2015** *(RMB’000)*	2014 *(RMB’000)*
Re e e	**13,561**	10,294
C f e e e	**7,006**	2,547
G fi	**6,555**	7,747

Ma age e e ice fee i c e f he G a ed RMB13.6 illi , e e e i g a ea- -ea i c ea e f 31.7% a d acc i g f 3.9% f he al e e e f he G f 2015, d e he c ib i f he a age e fee i ela i he e l-e ed Beiji g Yi i g H i al i 2015 hich a ed RMB1.7 illi (2014: il).

C f he G f e de i g a age e e ice i a il i cl de be efi a d e e e f a age e aff a ig ed a d a i a i f e a i igh ac i ed f b ai i g a age e igh .

C f e e e f a age e e ice i c ea ed RMB7.0 illi , e e e i g a ea- -ea i c ea e f 175.1%, aci g he i c ea e f e e e, ai l beca e i A il 2015, e c e ced a age e f Ya jia F e H i al. The G ac i ed 19 ea a d 9 h f e a i igh f hi h i al a d ec g i ed RMB93.1 illi f i a gible a e . RMB3.5 illi a a i ed f ch e a i igh i 2015 a c f e e e f a age e e ice . Acc di gl , g fi a gi dec ea ed 48.3% (2014: 75.3%).

4.1.2 *Gross Profit and Gross Profit Margin*

T al g fi f he G a ed RMB130.4 illi , e e e i g a ea- -ea i c ea e f 13.4%. O e all g fi a gi dec ea ed 37.9% (2014: 38.8%), eflec i g he fac ha de ie f he abili i g fi a gi f ed h i al , he h ee e heal hca e facili ie de a age e j c e ced e a i i he Re i g Pe i d a d a e e be a e, hich had a ega i e i ac he g fi a gi f he a age e a d e ice b i e .

4.1.3 *Other Income*

O he i c e f he G c i f g e e g a a d i i f acc a able. I 2015, he i c e a ed RMB3.1 illi , e e e i g a ea- -ea i c ea e f 346.2%, i a il d e g e e g a a d b idie .

4.1.4 *Selling Expenses*

I 2015, he elli g e e e f he G a ed RMB2.0 illi , e e e i g a ea- -ea dec ea e f 5.8%, acc i g f 0.6% f he al e e e f hi ea (2014: 0.7%).

4.1.5 *Administrative Expenses*

Ad i i a i e e e e f he G i a il c i f be efi a d e e e f a age e a d ad i i a i e aff, e e e f he e l -b il h i al i hei c e ce e f e a i , de ecia i , a i a i a d he .

I 2015, ad i i a i e e e e f he G a ed RMB62.5 illi (2014: RMB45.6 illi), e e e i g a ea- -ea i c ea e f 37.1%, i a il d e : (i) a i c ea e f RMB6.2 illi i e l ee be efi a d e e e a a e l f (1) he i c ea e i a age e , e ea ch a d ad i i a i e aff a d (2) e f a ce-ba ed b e di ib ed he e l ee f hei c ib i b i e g h; (ii) a i c ea e f RMB3.2 illi i he e al fee f We h Yi i g Ge ia ic H i al hich i e c e ce e a i ; a d (iii) a i c ea e f RMB5.2 illi i he e- ffli i g e e ela ed i i ial blic ffe i g.

4.1.6 *Finance Income*

I 2015, fi a ce i c e i c ea ed RMB7.6 illi , e e e i g a ea - - ea i c ea e f 917.8%, i a il beca e he ceed f he i i ial blic ffe i g e e de i ed i H g K g d lla ($). Highe e cha ge a e f HK$ agai Re i bi (B) i c ea ed he eali ed e cha ge gai b RMB9.8 illi , hich ff e he fi a ce e e e ela i g l g- e a able f RMB4.0 illi .

4.1.7 *Share of Loss of Investments Accounted for Using the Equity Method*

I 2015, ha e f l f i e e acc ed f i g he e i e h d a ed RMB6.3 illi (2014: il), hich e e e 49% e i i e e i Beiji g Yi i g H i al, hich c e ced i e a i i Se e be 2015 a d ec ded l af e a f RMB12.8 illi .

4.1.8 *Income Tax Expense*

I 2015, i c e a e e e i c ea ed RMB18.5 illi , e e e i g a ea - - ea i c ea e f 6.8%, i a il d e he highe fi bef e a f RMB70.2 illi (2014: RMB68.6 illi). O effec i e a a e i 2015 a d 2014 e e 26.4% a d 25.3%, e ec i el .

4.1.9 *Net Profit*

I 2015, fi a ib able he ha eh lde f he C a (he **ar r**) a ed RMB55.7 illi , e e e i g a ea - - ea i c ea e f 8.8% a c a ed i h 2014.

4.2 F a a t

4.2.1 *Inventory*

A f Dece be 31, 2015, i e bala ce dec ea ed RMB7.5 illi (a f Dece be 31, 2014: RMB7.9 illi), i a il d e he dec ea e i ha ace ical i e .

4.2.2 *Trade Receivables*

A f Dece be 31, 2015, he bala ce f ade ecei able i c ea ed RMB123.1 illi (a f Dece be 31, 2014: RMB84.5 illi), i a il d e : (i) he i c ea e i e e e e he a e e i d i li e i h he b i e g h f heal hca e facili ie ; a d (ii) he i c ea e i he a f ade ecei able a ib able edical i a ce g a . A i a el 79.5% f ade ecei able f he G e e ei he bill e e ed aged i hi i h .

4.2.3 *Other Receivables, Deposits and Prepayments*

A f Dece be 31, 2015, he ecei able , de i a d e a e i c ea ed RMB91.0 illi (a f Dece be 31, 2014: RMB41.2 illi), i a il d e : (i) he i c ea e f RMB25.8 illi i e a e f e al e e e ela i g We h Yi i g Ge ia ic H i al; (ii) he i c ea e f RMB13.0 illi ela i g he e a e f he cha e f a e f Pi g a g Ka g i g H i al C ., L d.* (平陽康寧醫院有限公司) (ya a p ta , a h ll - ed b idia f he C a); a d (iii) a l a f RMB12.0 illi e l e e ded Che gd Re i H i al C a Li i ed b he C a .

4.2.4 *Trade Payables*

A f Dece be 31, 2015, ade a able dec ea ed RMB20.0 illi (a f Dece be 31, 2014: RMB23.8 illi), f hich a i a el 84.5% aged i hi 90 da .

4.2.5 *Accruals and Other Payables*

A f Dece be 31, 2015, acc al a d he a able i c ea ed RMB166.4 illi (a f Dece be 31, 2014: RMB60.0 illi), i a il d e RMB90.5 illi f l g- e a able f c ac al igh i ela i i i f a age e e ice , hich e e e he a al i i e f a ce a ge f Ya jia F e H i al a e f h i a age e ag ee e f ch h i al, agg ega ed e he d a i f ch a age e ag ee e . Plea e efe a ag a h 4.3.4 bel f e de ail .

4.2.6 *Net Current Assets*

A f Dece be 31, 2015, e c e a e f he G a ed RMB664.0 illi (a f Dece be 31, 2014: RMB86.2 illi), i a il d e a i c ea e i c e a e i he a f RMB590.7 illi hich a e he ca h fl f he i i ial blic ffe i g, ff e b a i c ea e i c e liabili ie i he a f RMB50.0 illi a a e l f d a i g d a l a f Chi a CITIC Ba k hich i d e i hi e ea .

* *For identification purposes only*

4.3 q ty a Cap ta r

The able bel e f h he i f a i a e ac ed f he c lida ed ca h fl a e e f he G f he e i d i dica ed:

	ar D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Ne ca h (ed i)/f e a i g ac i i ie	**(5,063)**	33,328
Ne ca h ed i i e i g ac i i ie	**(382,367)**	(60,663)
Ne ca h f /(ed i) fi a ci g ac i i ie	**708,785**	(2,977)
Ne i c ea e/(dec ea e) i ca h a d ca h e i ale	**321,355**	(30,312)

4.3.1 *Net Cash from Operating Activities*

I 2015, e ca h fl f e a i g ac i i ie a ed RMB5.1 illi . We had e ca h ge e a ed f e a i g ac i i ie bef e cha ge i ki g ca i al f RMB87.0 illi , i a il c i i g f fi bef e a f RMB70.2 illi a d adj e f de ecia i f e , la a d e i e f RMB17.3 illi . Cha ge i ki g ca i al e l ed i ca h fl f RMB66.4 illi , i a il c i i g f a i c ea e f RMB58.2 illi i ade a d he ecei able a a e l f: (i) i c ea ed ea e l e a ib able he c i ed e a i a d cali g f heal hca e facili ie e k; a d (ii) e a e f e al e e e ela i g We h Yi i g Ge ia ic H i al. We had f he ca h fl f RMB25.7 illi a ib able i c e a aid.

4.3.2 *Net Cash Used in Investing Activities*

I 2015, e ca h ed i i e i g ac i i ie a ed RMB382.4 illi , i a il d e : (i) cha e f e , la a d e i e f RMB113.6 illi , c i i g f (1) a aid a d e aid e a e a d g ade We h Ka g i g H i al a d (2) a aid e a e Beiji g Yi i g H i al, Li hai Ka g i g H i al a d We h Yi i g Ge ia ic H i al i hei e i g; a d (ii) a e de i i h i i ial e e h ee h f RMB251.3 illi .

4.3.3 *Net Cash from Financing Activities*

I 2015, e ca h f fi a ci g ac i i ie a ed RMB708.8 illi , i a il d e : (i) e ceed f he i i ial blic ffe i g f RMB590.7 illi ; (ii) ceed f RMB78.4 illi f i a ce f ha e ca i al d e ca i al c ib i b i e i he i i ial blic ffe i g; a d (iii) a l a f RMB50.0 illi f Chi a CITIC Ba k.

4.3.4 *Significant Investment, Acquisition and Disposal*

The G e e ed i a e e a age e ag ee e i h Ya jia F e H i al i Ma ch 2015 a d a le e al ag ee e i A il 2015. The e f he e e a age e ag ee e i f A il 2015 Dece be 2034, e e dable if b h a ie ag ee h ee h i e i . D i g he e f he ag ee e , he G de ake ide a age e e ice Ya jia F e H i al a d ee a ede e i ed ched le f a al i i e f a ce a ge . The i i e f a ce a ge begi i h RMB2.7 illi f he e i d f A il 1, 2015 Dece be 31, 2015, i c ea e RMB4.0 illi f he ea 2016, a d b e e l i c ea e b a ede e i ed fi ed a e i hi he a ge f 4% 10% il he ea f 2034, f hich he i i e f a ce a ge i RMB14.1 illi . If Ya jia F e H i al fail ee ch a ge , he G i e i ed c ib e he h fall. O he he ha d, he G i e i led ecei e a i f fi (ba ed a acc f Ya jia F e H i al i h ce ai adj e ag eed b a ie f i he e e a age e ag ee e) e ceedi g he e f a ce a ge a i a age e i c e f Ya jia F e H i al. A a e l , he G i effec i el bliga ed a Ya jia F e H i al a ede e i ed a e he e f he ag ee e i e cha ge f he c ac al igh ide a age e e ice he h i al e he a e e i d. The G ec g i e ch c ac al igh a age Ya jia F e H i al a d ecei e a age e e ice fee a i a gible a e f RMB93.1 illi he bala ce hee , ea ed i i iall a he a calc la ed b di c i g he f e a al i i e f a ce a ge i g he e aili g a ke i e e a e.

Sa e a di cl ed ab e, he G had ig ifica i e e , ac i i i di al i 2015.

O Feb a 22, 2016, he C a e ed i a ag ee e c ib e RMB50.0 illi he I e e F d, hich hall i e i heal hca e a d he de e ice i d ie . I i ci le, he I e e F d' i e e i he heal hca e e ice i d hall be le ha 80% f i al a a ailable f i e e . F de ail , lea e efe he a ce e f he C a da ed Feb a 23, 2016. A f he da e f hi a ce e , ch c ib i ha bee ade a d he C a e ec ake ch c ib i i 2016.

4.3.5 *Capital Expenditure*

Ca i al e e di e f he G i a il c i ed f e e di e : (i) e , la a d e i e , c i i g b ildi g a d c c i , lea eh ld i e e , edical e i e , f i e a d ffice e i e a d ehicle ; (ii) la d e igh ; a d (iii) i a gible a e . Ca i al e e di e f he G i 2015 a RMB193.4 illi , e e e i g a i c ea e f 163.1% f 2014, i a il d e he ac i i i f he e a i igh f Ya jia F e H i al f 19 ea a d 9 h a a c ide a i f RMB93.1 illi .

4.3.6 *Use of Proceeds from Initial Public Offering*

The B a d cl el i ed he e f ceed f he i i ial blic ffe i g i h efe e ce h e a di cl ed i he P ec a d c fi ed ha he e a a e ial cha ge i he ed e a e i l di cl ed i he P ec . A f Dece be 31, 2015, he G a lied he ceed f he f ll i g:

- RMB20.0 illi f he dec a i e e e f We h Yi i g Ge ia ic H i al; a d

- RMB20.0 illi f c ib i he egi e ed ca i al f a d i i f a l a Pi g a g Ka g i g H i al, f hich RMB13.0 illi a ed f he cha e f e ie .

4.4 t

4.4.1 *Bank Borrowings*

A f Dece be 31, 2015, he bala ce f ba k b i g f he G a ed RMB50.0 illi (a f Dece be 31, 2014: il), all d e i hi e ea .

4.4.2 *Contingent Liabilities*

A f Dece be 31, 2015, he G had c i ge liabili ie g a a ee ha ld ha e a a e ial i ac he fi a cial i i e a i f he G .

4.4.3 *Asset Pledge*

A f Dece be 31, 2015, e f he G ' a e had bee ledged.

4.4.4 *Contractual Obligations*

The c ac al bliga i f he G i a il c i f e a i g lea e a a ge e . A f Dece be 31, 2015, he f e agg ega e i i lea e a e de -ca cellable lea e ag ee e e e RMB209.0 illi .

4.4.5 *Financial Instruments*

Fi a cial i e f he G c i f ade ecei able , a d e f ela ed a ie , he ecei able , e de i , ca h a d ca h e i ale , ba k b i g , ade a d he a able . The a age e a age a d i he e e e e e a ia e ea e a e i le e ed a i el a d effec i e a e .

4.4.6 Exposure to Fluctuation in Exchange Rates

The G de i ce ai f i fi a cial a e i f eig c e c , a d i ai l e ed he fl c a i i e cha ge a e f H g K g d lla agai RMB. The G he ef e i e ed f eig e cha ge i k.

The G ha ed a de i a i e fi a cial i e hedge agai i e e c e c i k. The a age e a age he c e c i k b cl el i i g he e e f he f eig c e c a e a d ill c ide hedgi g ig ifica f eig c e c e e h ld ch eed a i e.

4.4.7 Gearing Ratio

A f Dece be 31, 2015, he G ' gea i g a i (al i e e -bea i g liabili ie di ided b al a e) a 11.8% (2014: il).

5 FICA E E

5.1 ar a t

The C a ' H ha e (he ar) e e li ed The S ck E cha ge f H g K g Li i ed (he t E a) N e be 20, 2015 (he t Dat). A f Dece be 31, 2015, he C a ' e ceed f he i i ial blic ffe i g a ed a i a el HK$693.2 illi (e i ale a i a el RMB580.7 illi) af e ded c i g de i i g c i i a d all ela ed e e e . A f he da e f hi a ce e , he C a d e a ici a e a cha ge i la he e f ceed a a ed i he P ec .

5.2 D

The fi al di ide d di ib i la f he ea e ded Dece be 31, 2015 (he r p F a D) a a ed a he i h ee i g f he Fi Se i f he B a d. S bjec he a al f he P ed Fi al Di ide d b he Sha eh lde a he a al ge e al ee i g f he C a f he ea 2015 (he A) be held J e 14, 2016, he P ed Fi al Di ide d ill be di ib ed ab J l 14, 2016 he Sha eh lde h e a e a ea he egi e f e be f he C a J e 24, 2016 (he r Dat).

The egi e f e be f he C a ill be cl ed f Ma 15, 2016 J e 14, 2016, b h da i cl i e, d i g hich e i d a fe f he Sha e ill be effec ed. I de de e i e he ide i f he Sha eh lde h a e e i led a e d a d e a he AGM, all ha e a fe d c e acc a ied b he ele a ha e ce ifica e be l dged i h he C a ' H Sha e Regi a , C e ha e H g K g I e Se ice L d. (**C mp t r ar**) a Sh 1712-1716, 17 h Fl , H e ell Ce e, 183 Q ee ' R ad Ea , Wa chai, H g K g la e ha 4:30 . . Ma 13, 2016.

The a f fi al di ide d di ib i hall be calc la ed ba ed he al be f ha e f he C a (he **ar**) i i e a f Dece be 31, 2015 a d he fi al ca h di ide d di ib i hall be ba ed RMB0.25 e Sha e (i cl i e f a licable a). I de alif f he P ed Fi al Di ide d, he h lde f H Sha e l dge all ha e ce ifica e acc a ied b he a fe d c e i h C e ha e (add e : Sh 1712-1716, 17/F, H e ell Ce e, 183 Q ee ' R ad Ea , Wa Chai, H g K g) bef e 4:30 . . J e 17, 2016. F he e f a ce ai i g Sha eh lde h alif f he P ed Fi al Di ide d, he egi e f e be f H Sha e ill be cl ed f J e 19, 2016 J e 24, 2016 (b h da i cl i e).

The P ed Fi al Di ide d ill be de i a ed a d decla ed i RMB. The h lde f d e ic Sha e ill be aid i RMB a d he h lde f H Sha e ill be aid i H g K g d lla . The e cha ge a e f he P ed Fi al Di ide d be aid i H g K g d lla ill be he ea f he e cha ge a e f H g K g d lla RMB a a ced b he Pe le' Ba k f Chi a d i g he fi e b i e da i he da e f decla a i f he P ed Fi al Di ide d.

I acc da ce i h he E e i e I c e Ta La f he Pe le' Re blic f Chi a (中華人民共和國企業所得稅法) a d i i le e a i eg la i hich ca e i effec Ja a 1, 2008, he C a i e i ed i hh ld a d a e e i e i c e a a he a e f 10% behalf f he - e ide e e i e Sha eh lde h e a e a ea he egi e f e be f H Sha e he di ib i g he ca h di ide d . A H Sha e egi e ed de he a e f a i di id al Sha eh lde , i cl di g HKSCC N i ee Li i ed, he i ee , age ee , he ga i a i g , hall be dee ed a Sha e held b - e ide e e i e Sha eh lde . The ef e, hi ba i , e e i e i c e a hall be i hheld f di ide d a able ch Sha eh lde . If h lde f H Sha e i e d cha ge i Sha eh lde a , lea e e i e ab he ele a ced e i h age ee . The C a ill ic l c l i h he la he e i e e f he ele a g e e a h i a d i hh ld a d a e e i e i c e a behalf f he ele a Sha eh lde ba ed he egi e f e be f H Sha e a f he Rec d Da e.

If he i di id al h lde f H Sha e a e H g K g Maca e ide e ide f he c ie hich had a ag eed a a e f 10% f he ca h di ide d he i h he PRC de he ele a a ag ee e , he C a h ld i hh ld a d a i di id al i c e a behalf f he ele a Sha eh lde a a a e f 10%. Sh ld he i di id al h lde f H Sha e be e ide f he c ie hich had a ag eed a a e f le ha 10% i h he PRC de he ele a a ag ee e , he C a hall i hh ld a d a i di id al i c e a behalf f he ele a Sha eh lde a a a e f 10%. I ha ca e, if he ele a i di id al h lde f H Sha e i h eclai he e a a i hheld d e he a lica i f 10% a a e, he C a ca a l f he ele a ag eed efe e ial a ea e ided ha he ele a Sha eh lde b i he e ide ce e i ed b he ice f he a ag ee e C e ha e. The C a ill a i i h he a ef d af e he a al f he c e e a a h i . Sh ld he i di id al h lde f H Sha e be e ide f he c ie hich had a ag eed a a e f e 10% b le ha 20% i h he PRC de he a ag ee e , he C a hall i hh ld a d a he i di id al i c e a a he ag eed ac al a e i acc da ce i h he ele a a ag ee e . I he ca e ha he i di id al h lde f H Sha e a e e ide f he c ie hich had a ag eed a a e f 20% i h PRC, hich ha e e ed i a a ag ee e i h PRC, he i e, he C a hall i hh ld a d a he i di id al i c e a a a a e f 20%.

5.3 a , a a mpt t t

D i g he e i d f he Li i g Da e Dece be 31, 2015, ei he he C a a f i b idia ie cha ed, ld edee ed a f he C a ' li ed ec i ie .

5.4 w A a t

The C a ' a di c i ee ha e ie ed he G ' a al e l f he fi a cial ea e ded Dece be 31, 2015 a d ha i ed ha a licable acc i g a da d a d e i e e ha e bee c lied i h a d ha ade a e di cl e ha e bee ade b he C a .

The C a ' a di c i ee c i f i de e de -e ec i e di ec f he C a , M . HUANG Zhi (he chai a f he a di c i ee) a d M . WONG Ra d F k La , a d e -e ec i e di ec f he C a , M . HE Xi . A g he , M . HUANG Zhi ha he a ia e fe i al alifica i (a ce ified blic acc a acc edi ed b he Chi e e I i e f Ce ified P blic Acc a (中國註冊會計師協會)).

6 C A CE C A E E A CE C DE

The C a c lied i h all c de i i i he C a e G e a ce C de (he **C rp rat r a C**) e i A e di 14 he R le G e i g he Li i g f Sec i ie The S ck E cha ge f H g K g Li i ed d i g he e i d f he Li i g Da e Dece be 31, 2015, a e f he de ia i f c de i i A.2.7 hich a i a il d e he h e i d f i e f he Li i g Da e Dece be 31, 2015. C de i i A.2.7 e i e ha he chai a h ld a lea a all h ld ee i g i h he -e ec i e di ec (i cl di g i de e de -e ec i e di ec) i h he e ec i e di ec e e . The C a ha c i ed aki g ece a a a ge e c l i h all he c de i i . The C a ill c i e e ie a d e ha ce i c a e g e a ce e e ha i ill c i e ee he e i e e f he C a e G e a ce C de.

7 F A C A E

7.1 p w r wat r C p r

The fig e i hi a ce e f he G ' e l f he ea e ded Dece be 31, 2015 ha e bee ag eed b he C a ' e e al a di , P ice a e h e C e (wC), he a e i he G ' a di ed c lida ed fi a cial a e e f he ea e ded Dece be 31, 2015. The k e f ed b P C i hi e ec did c i e a a a ce e gage e i acc da ce i h H g K g S a da d A di i g, H g K g S a da d Re ie E gage e H g K g S a da d A a ce E gage e i ed b he H g K g I i e f Ce ified P blic Acc a a d c e e l , a a ce ha bee e e ed b P C hi a ce e .

7.2 A t p

C a ed he la a di ed fi a cial a e e f he G , he e a e ig ifica cha ge acc i g licie .

7.3 F a a tat m t

7.3.1 Consolidated Statement of Comprehensive Income

	ar D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Re e e	**343,674**	296,296
C f e e e	**(213,289)**	(181,313)
r pr t	**130,385**	114,983
O he i c e	**3,074**	689
O he l e	**(144)**	(151)
Selli g e e e	**(1,970)**	(2,092)
Ad i i a i e e e e	**(62,520)**	(45,611)
p rat pr t	**68,825**	67,818
Fi a ce i c e	**11,625**	749
Fi a ce e e e	**(4,002)**	
F a m – t	**7,623**	749
Sha e f l f i e e acc ed f i g he e i e h d	**(6,278)**	
r t r m ta	**70,170**	68,567
I c e a e e e	**(18,548)**	(17,369)
t pr t	**51,622**	51,198
O he c ehe i e i c e	**–**	
ta mpr m	**51,622**	51,198
A ib able :		
E i h lde f he C a	**55,709**	51,198
N -c lli g i e e	**(4,087)**	
Ea i g e ha e		
Ba ic a d dil ed *(in RMB)*	**1.03**	1.02

7.3.2 Consolidated Balance Sheets

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
A E		
- t a t		
P e , la a d e i e	**233,200**	160,799
La d e igh	**20,738**	21,210
I a gible a e	**90,581**	1,229
I e e i a a cia e	**8,422**	
Defe ed i c e a a e	**10,071**	4,641
De i a d e a e	**48,324**	13,904
ta - t a t	**411,336**	201,783
C t a t		
I e ie	**7,506**	7,911
T ade ecei able	**123,067**	84,532
O he ecei able , de i a d e a e	**42,690**	27,340
A d e f ela ed a ie	**20,044**	13,502
Te de i	**251,334**	
Ca h a d ca h e i ale	**368,457**	37,271
ta t a t	**813,098**	170,556
ta a t	**1,224,434**	372,339
EQ		
Eq ty att ta t w t C mpa y		
Sha e ca i al	**73,040**	50,000
Ca i al e e e	**797,510**	159,153
S l e e e	**11,342**	5,708
Re ai ed ea i g	**77,824**	46,229
	959,716	261,090
N -c lli g i e e	**2,513**	
ta q ty	**962,229**	261,090

	A D m r 31, 2015	2014
	RMB'000	RMB'000
IABI E		
- t a t		
Defe ed g e e g a	**14,284**	14,156
L g- e a able	**98,821**	12,688
ta - t a t	**113,105**	26,844
C t a t		
T ade a able	**19,976**	23,829
Acc al a d he a able	**63,209**	47,340
C e i c e a liabili ie	**11,559**	13,236
Ba k b i g	**50,000**	
C e i f l g- e a able	**4,356**	
ta t a t	**149,100**	84,405
ta a t	**262,205**	111,249
ta q ty a a t	**1,224,434**	372,339

7.4 t t t F a a tat m t

7.4.1 *General Information*

The C a a e abli hed a a j i ck c e a i e e e i e de he a e f We h Ka g i g Me al C ale ce H i al (溫州市康寧精神康復醫院) i he PRC Feb a 7, 1996. The add e f he C a ' egi e ed ffice i a She gji R ad, H a gl g Re ide ial Di ic , We h , Zhejia g, he PRC.

O Oc be 15, 2014, he C a a c e ed i a j i ck li i ed c a a d e a ed a We h Ka g i g H i al C ., L d. (溫州康寧醫院股份有限公司).

The G i e gaged i e a i g chia ic h i al i he PRC.

The C a had i i a li i g he S ck E cha ge N e be 20, 2015.

The c lida ed fi a cial a e e a e e e ed i RMB a d ded he ea e h a d a , le he i e a ed.

7.4.2 *Basis of Preparation*

The c lida ed fi a cial a e e f he G ha e bee e a ed i acc da ce i h he IFRS . The c lida ed fi a cial a e e ha e bee e a ed de he hi ical c c e i .

(a) New and amended standards adopted by the Group

The f ll i g a e d e a da d ha e bee ad ed b he G f he fi i e f he fi a cial ea begi i g af e Ja a 1, 2015:

A e d e IAS 19 c ib i f e l ee hi d a ie defi ed be efi la .

A e d e f a al i e e IFRS 2010-2012 C cle, IFRS 8, 'O e a i g eg e ', IAS 16, 'P e , la a d e i e ', IAS 38, 'I a gible a e ' a d IAS 24, 'Rela ed a di cl e '.

A e d e f a al i e e IFRS 2011-2013 C cle, IFRS 3, 'B i e c bi a i ', IFRS 13, 'Fai al e ea e e '.

A e d e IAS 27 'E i e h d i e a a e fi a cial a e e '.

The di ec f he C a ed ha he ad i f he e a d e i ed IFRS had a e ial i ac he G ' e a i g e l a d fi a cial i i .

(b) New Hong Kong Companies Ordinance (Cap. 622)

I addi i , he e i e e f Pa 9 Acc a d A di f he e H g K g C a ie O di a ce (Ca . 622) c e i effec d i g he fi a cial ea , a a e l , he e a e cha ge e e a i a d di cl e f ce ai i f a i i he c lida ed fi a cial a e e .

(c) New standards and interpretations not yet adopted

A be f e a da d a d a e d e a da d a d i e e a i a e effec i e f a al e i d begi i g af e Ja a 1, 2015 a d ha e bee a lied i e a i g he e c lida ed fi a cial a e e . N e f he e i e ec ed ha e a ig ifica effec he c lida ed fi a cial a e e f he g , e ce he f ll i g e bel :

IFRS 9, 'Fi a cial i e '

IFRS 15, 'Re e e f c ac i h c e '

IFRS 16, 'Lea e '

The e a e he IFRS IFRIC i e e a i ha a e e effec i e ha ld be e ec ed ha e a a e ial i ac he G .

7.4.3 *Trade Receivables*

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
T ade ecei able	**130,738**	89,537
Le : i i f i ai e f ade ecei able	**(7,671)**	(5,005)
T ade ecei able e	**123,067**	84,532

The ca i g a f he G ' ade ecei able a e de i a ed i RMB, a d a i a e hei fai al e .

A f Dece be 31, 2014 a d 2015, he agi g a al i f he ade ecei able a a f ll :

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Agi g a al i ba ed he billi g da e:		
Bill e e ed	**9,580**	9,927
1-3 h	**74,718**	45,694
4-6 h	**19,635**	13,082
7-12 h	**19,937**	14,635
1-2 ea	**5,075**	4,574
2-3 ea	**1,426**	1,544
O e 3 ea	**367**	81
	130,738	89,537

Acc di g he G ’ e f b i e , all bill a e a able e e ai .

A f Dece be 31, 2014 a d 2015, he G ’ ade ecei able a d e b i ai ed e e RMB73,442,000 a d RMB113,297,000, e ec i el . The e a e ai l ela ed he a be clai ed f l cal cial i a ce b ea a d i ila g e e de a e hich a e e ible f he ei b e e f edical e e e f a ie h a e c e ed b g e e edical i a ce che e .

The a age e c ide ha ba ed a a e hi h e a ca be ec e ed i ea able i e. The agi g a al i f he e ade ecei able a a f ll :

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Le ha 1 ea	**110,355**	71,136
1-2 ea	**2,800**	2,269
2-3 ea	**142**	3
O e 3 ea	**–**	34
	113,297	73,442

A f Dece be 31, 2014 a d 2015, ade ecei able f RMB6,168,000 a d RMB7,861,000 e e i ai ed, e ec i el . The a f he i i e e RMB5,005,000 a d RMB7,671,000 a f Dece be 31, 2014 a d 2015, e ec i el . The agi g f he e ade ecei able i a f ll :

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Le ha 1 ea	**3,935**	2,275
1-2 ea	**2,275**	2,305
2-3 ea	**1,284**	1,541
O e 3 ea	**367**	47
	7,861	6,168

M e e f he G ' i i f i ai e f ade ecei able a e a f ll :

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
A Ja a 1,	**5,005**	3,699
P i i f ecei able	**4,907**	2,957
Recei able i e ff a c llec ible	**(2,241)**	(1,304)
W i e-back ec e ed	**–**	(347)
A Dece be 31,	**7,671**	5,005

The i i f ecei able i ai e ha bee i cl ded i ad i i a i e e e e i he c lida ed a e e f c ehe i e i c e. A a e ge e all i e ff he he e i e ec a i f ec e i g addi i al ca h.

The a i e e c edi i k a f he ea -e d i he ca i g a f ade ecei able . The G d e h ld a c lla e al a ec i .

7.4.4 Other Receivables, Deposits and Prepayments

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
O he ecei able [a]	**14,337**	1,408
De i [b]	**17,268**	16,823
A d e b a hi d a [c]	**12,304**	
P e a e f e al	**30,007**	16,686
P e a e f cha e f e [d]	**13,000**	
P e a e f c c i i g e	**2,594**	1,216
P e a e f g d a d e ice	**2,539**	1,511
P e a e f IPO e e e	**–**	3,477
O he	**43**	123
Le : i i f i ai e f he ecei able	**(1,078)**	
T al	**91,014**	41,244
C e	**42,690**	27,340
N -C e	**48,324**	13,904
T al	**91,014**	41,244

The ca i g a f he G ' he ecei able , de i a d e a e a e de i a ed i RMB a d a i a e hei fai al e .

(a) I cl ded i he ecei able a f Dece be 31, 2015 a a ad a ce a e a i g RMB9,210,000 Ya jia F e H i al. S ch ad a ce ill be e aid he G b Ya jia F e H i al he a d a i ca h fl all a ag eed b b h a ie .

(b) I cl ded i de i a f Dece be 31, 2014 a d 2015 a a de i f RMB12,688,000 he c ac f he e h i al c c i k a he g a a ee f f lfill e f bliga i f he G de he c c i c ac . The de i ill be e aid he G af e he c c i i c le ed a d all G ' bliga i ha bee di cha ged.

(c) The C a e e ed i a ag ee e i h Sich a H gji Pa ace ical C a Li i ed ( ) , a i de e de hi d a) i Ma ch 2015 a d la ed de el ce ai b i e i h Sich a H gji. The C a laced a de i f RMB12,000,000 Sich a H gji a f e ca i al c ib i . S b e e l , he ag ee e a ca celled a d a le e al ag ee e a e e ed i b Sich a H gji, Che gd Jih g H i al C a Li i ed (C) , a h ll - ed b idia f Sich a H gji) a d he C a J e 29, 2015. P a he le e al ag ee e , he h ee a ie ag eed aba d he b i e la a d he de i h ld be e aid b Che gd Jih g he G i hi 12 h c e ci g f J e 29, 2015, bea i g a i e e a e f 5% e a . The a i g a a eed b he ha eh lde f Sich a H gji.

O J l 28, 2015, Che d Jih g cha ged i a e Che gd Re i H i al C a Li i ed.

(d) The C a e e ed i a ag ee e i h Pi g a g Mi ia S ecialized F d C e a i e (ya t a , a i de e de hi d a) i Oc be 2015 cha e a e f Pi g a g Mi ia . The al c ide a i f he e i RMB18,000,000. A f Dece be 31, 2015, RMB13,000,000 a aid Pi g a g Mi ia .

7.4.5 *Accruals and Other Payables*

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
Acc ed e l ee be efi	**18,637**	17,939
Recei i ad a ce	**3,194**	3,416
Re al a able	**3,004**	3,362
G a a ee de i ecei ed f c c i c ac (a)	**12,688**	12,688
O he a able f e , la a d e i e	**20,831**	19,916
O he a e a able	**412**	641
Ad a ce ecei ed f a -c lli g ha eh lde (b)	**3,110**	1,500
L g- e a able f c ac al igh ide a age e e ice	**90,489**	
Acc ed li i g e e e	**11,606**	
O he	**2,415**	566
ta	**166,386**	60,028
C e	**63,209**	47,340
C e i f l g- e a able f c ac al igh ide a age e e ice	**4,356**	
N -c e	**98,821**	12,688
ta	**166,386**	60,028

The ca i g a f acc al a d he a able a e de i a ed i RMB. The ca i g a a i a e hei fai al e d e hei h -e a i ie .

(a) The a a ided b he c ac f he e h i al c c i k he G . The a ill be e aid he c ac af e i di cha ge all i bliga i de he c ac , i cl di g b li i ed f ll e le e f c c i ke ' age a d ala ie .

(b) I e e e ed ad a ce ecei ed f a -c li g ha eh lde f e f he G ' b idia ie .

7.4.6 *Revenue*

	ar D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
T ea e a d ge e al heal hca e e ice	**240,103**	206,790
Pha ace ical ale	**87,740**	77,384
A cilla h i al e ice	**2,270**	1,828
Ma age e e ice fee	**13,561**	10,294
	343,674	296,296

7.4.7 Expenses by Nature

	ar D m r 31,	
	2015	2014
	RMB’000	*RMB’000*
E l ee be efi e e e	**99,988**	82,750
Pha ace ical a d c able ed	**86,483**	75,419
De ecia i a d a i a i	**21,706**	15,067
O e a i g lea e e al e e e	**8,563**	10,055
O e a i g lea e e al e e e e aid f i eli e heal hca e facili ie	**7,388**	6,612
Ca ee e e e	**11,280**	8,404
U ili ie e e e	**5,820**	5,381
E a i a i a d e i g fee	**3,388**	3,900
P i i f i ai e f ade ecei able	**4,907**	2,610
P i i f i ai e f he ecei able	**1,078**	
T a elli g e e e	**2,481**	3,086
P i a d a ke i g	**1,970**	2,092
D a i cha i ie	**1,814**	1,834
C e a i aid a ie	**345**	1,147
Li i g e e e	**5,177**	
A di ’ e e a i		
A di e ice	**1,532**	315
N -a di e ice	**–**	
O he	**13,859**	10,344
	277,779	229,016

7.4.8 *Income Tax Expense*

The i c e a e e e f he G f he ea e ded Dece be 31, 2014 a d 2015 i a al ed a f ll :

	ar D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
C e i c e a :		
PRC c a e i c e a	**23,978**	19,054
Defe ed i c e a	**(5,430)**	(1,685)
	18,548	17,369

The a he G ' fi bef e i c e a diffe f he he e ical a ha ld a i e i g he a a e f he PRC, he i ci al lace f he G ' e a i , a f ll :

	ar D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
P fi bef e i c e a	**70,170**	68,567
Calc la ed a he a a e f 25%	**17,543**	17,142
E e e a ded c ible	**2,507**	227
I c e bjec a	**(167)**	
O e- i i f i ea	**(1,335)**	
	18,548	17,369

PRC corporate income tax

The i c e a i i f he G i e ec f e a i i he PRC ha bee calc la ed a he a a e f 25% he e i a ed a e able fi f he ea , ba ed he e i i g legi la i , i e e a i a d ac ice i e ec he e f, le efe e ial a a e e e a licable.

7.4.9 *Earnings per Share*

Basic earnings per share

The calc la i f ba ic ea i g e ha e i ba ed fi a ib able di a e i ha eh lde f he C a f RMB51,198,000 a d RMB55,709,000 f he ea e ded Dece be 31, 2014 a d 2015, e ec i el , a d he eigh ed a e age be f di a ha e i i e a f he e d f each e i g e i d, calc la ed a f ll :

Weighted average number of ordinary shares

	ar D m r 31,	
	2015	2014
	No. of shares	*No. of shares*
O di a ha e i ed a begi i g f he e i d	**50,000,000**	50,000,000
Effec f i a ce f ha e	**4,253,370**	
Weigh ed a e age be f di a ha e a he e d f ea	**54,253,370**	50,000,000

The C a a c e ed i a j i ck li i ed c a Oc be 15, 2014. The calc la i f ea i g e Sha e f he ea e ded Dece be 31, 2014 i ba ed 50,000,000 di a Sha e i i e he c e i a if h e Sha e e e a di g f he begi i g f he ea . The calc la i f ea i g e Sha e f he ea e ded Dece be 31, 2015 i ba ed 54,253,370 di a Sha e .

Diluted earnings per Share

The C a did ha e a e ial dil i e Sha e h gh he ea . Acc di gl , dil ed ea i g e Sha e a e he a e a he ba ic ea i g e Sha e.

7.4.10 *Final Dividends*

O Ma 11, 2015, he B a d decla ed a fi al di ide d f RMB18,480,000 f he ea e ded Dece be 31, 2014. The ed di ide d a a ed b he Sha eh lde ' ee i g J e 1, 2015 a d he C a aid he di ide d J l 23, 2015.

O Ma ch 24, 2016, he B a d decla ed a fi al di ide d f RMB18,260,000 f he ea e ded Dece be 31, 2015 hich i calc la ed ba ed 73,040,000 i ed Sha e a f Dece be 31, 2015. The ed di ide d i eflec ed a a di ide d a able i he c lida ed fi a cial a e e a f Dece be 31, 2015, a d ill be eflec ed a a a ia i f e ai ed ea i g f he ea e di g Dece be 31, 2016.

	a D m 31,	
	2015	2014
	RMB'000	*RMB'000*
P ed fi al di ide d f RMB0.25 (2014: RMB0.35) e di a Sha e	**18,260**	18,480

7.4.11 *Commitments*

Capital commitments

	A D m 31,	
	2015	2014
	RMB'000	*RMB'000*
C ac ed b ided f		
c c i b ildi g	**36,635**	86,130
lea eh ld i e e	**60,529**	1,784
e , la a d e i e	**10,935**	794
	108,099	88,708

Operating lease commitments

The G lea e ce ai ffice b ildi g a d h i al de -ca cellable e a i g lea e ag ee e .

The Group's future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
N la e ha 1 ea	**28,593**	26,654
La e ha 1 ea a d la e ha 5 ea	**74,546**	80,867
La e ha 5 ea	**105,831**	129,116
	208,970	236,637

Investment in subsidiaries

	A D m r 31,	
	2015	2014
	RMB'000	*RMB'000*
N la e ha 1 ea	**43,000**	8,600
La e ha 1 ea a d la e ha 5 ea	**15,600**	2,400
	58,600	11,000

7.4.12 *Principal Subsidiaries*

The f ll i g i a li f he i ci al b idia ie f he C a a f Dece be 31, 2015:

am	a rp rat a a t ty	r pa a t t a pa p rat	art ar ar ap ta a t r t	r p rt r ary ar r t y y par t (%)	r p rt r ary ar y t r p (%)	r p rt r ary ar y - tr t r t (%)
Ca g a Ka g i g H i al C ., L d. (蒼南康寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB1,000,000	100%	100%	
Qi g ia Ka g i g H i al C ., L d. (青田康寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB1,000,000	100%	100%	
Y gjia Ka g i g H i al C ., L d. (永嘉康寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB1,000,000	100%	100%	
Y e i g Ka g i g H i al C ., L d. (樂清康寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB1,000,000	100%	100%	
She he Yi i g H i al C ., L d. (深圳市怡寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB16,600,000		52%	48%
We h Ka g i g J dicial F e ic Ce e (溫州康寧司法鑒定所)	The PRC, S le ie hi e e i e	F e ic chia ic i de ifica i i PRC	Paid-i ca i al f RMB500,000	100%	100%	
Li hai Ka g i g H i al C ., L d. (臨海康寧醫院有限公司)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB2,000,000	80%	80%	20%
We h Yi i g Ge ia ic H i al C ., L d. (溫州怡寧老年醫院有限公司) (a)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB10,000,000	100%	100%	
Pi g a g Ka g i g H i al C ., L d. (平陽康寧醫院有限公司) (b)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Paid-i ca i al f RMB6,000,000	100%	100%	
She he Yi i g Medical I e e C ., L d. (深圳怡寧醫療投資有限公司) (c)	The PRC, Li i ed liabili c a	I e e h ldi g i PRC	Nil	100%	100%	
Q h Yi i g H i al C ., L d. (衢州怡寧醫院有限公司) (d)	The PRC, Li i ed liabili c a	P chia ic h i al i PRC	Nil	60%	60%	40%
Ha g h H gla I f ai Tech l g C ., L d. (杭州宏瀾信息科技有限公司) (e)	The PRC, Li i ed liabili c a	O li e edical c li gi PRC	Nil	100%	100%	
La gfa g Yi i g H i al Ma age e C ., L d. (廊坊市怡寧醫院管理有限公司) (f)	The PRC, Li i ed liabili c a	H i al a age e c li gi PRC	Nil	100%	100%	

All he b idia ie a e e abli hed i he PRC a li i ed liabili c a ie e ce We h Ka g i g J dicial F e ic Ce e , hich i a le ie hi e e i e.

(a) We h Yi i g Ge ia ic H i al C ., L d. a e abli hed N e be 2, 2015 i h a egi e ed ca i al f RMB10,000,000. I aid-i ca i al a RMB10,000,000 a f Dece be 31, 2015.

(b) Pi g a g Ka g i g H i al C ., L d. a e abli hed N e be 2, 2015 i h a egi e ed ca i al f RMB6,000,000. I aid-i ca i al a RMB6,000,000 a f Dece be 31, 2015.

(c) She he Yi i g Medical I e e C ., L d. a e abli hed Se e be 23, 2015 i h a egi e ed ca i al f RMB10,000,000. I aid-i ca i al a il a f Dece be 31, 2015.

(d) Q h Yi i g H i al C ., L d. a e abli hed N e be 20, 2015 i h a egi e ed ca i al f RMB30,000,000. I aid-i ca i al a il a f Dece be 31, 2015.

(e) Ha g h H gla I f a i Tech l g C ., L d a e abli hed N e be 20, 2015 i h a egi e ed ca i al f RMB5,000,000. I aid-i ca i al a il a f Dece be 31, 2015.

(f) La gfa g Yi i g H i al Ma age e C ., L d a e abli hed Dece be 2, 2015 i h a egi e ed ca i al f RMB10,000,000. I aid-i ca i al a il a f Dece be 31, 2015.

B de f he B a d
a p ta C ., t .
A
Chairman

Zhejia g, he PRC
Ma ch 29, 2016

As of the date of this announcement, the Company's executive directors are Mr. GUAN Weili, Ms. WANG Lianyue and Ms. WANG Hongyue; the non-executive directors are Mr. YANG Yang and Ms. HE Xin; and the independent non-executive directors are Mr. CHONG Yat Keung, Mr. HUANG Zhi and Mr. WONG Raymond Fook Lam.