



醫院股份

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4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Financial Review

... B666.4 ...
... 60.4% ... 2016, ... B119.9 ...

4.1.1 Revenue and Cost of Revenue

Revenue is derived from the sale of products and services. Revenue is recognized when the product is delivered to the customer and the customer has accepted the product. Revenue is recognized when the service is performed and the customer has accepted the service. Revenue is recognized when the product is delivered to the customer and the customer has accepted the product. Revenue is recognized when the service is performed and the customer has accepted the service.

	For the year ended December 31,	
	2017	2016
	(RMB'000)	(RMB'000)
Revenue	520,175	391,505
Cost of revenue	26,386	18,943
Revenue	546,561	410,448
Cost of revenue	2,318	2,955
Revenue	117,557	2,006
Total revenue	666,436	415,409

Revenue is derived from the sale of products and services. Revenue is recognized when the product is delivered to the customer and the customer has accepted the product. Revenue is recognized when the service is performed and the customer has accepted the service. Revenue is recognized when the product is delivered to the customer and the customer has accepted the product. Revenue is recognized when the service is performed and the customer has accepted the service.

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	For the year ended	
	December 31,	
	2017	2016
Inpatients		
Number of inpatient admissions	3,420	2,577
Number of inpatient bed-days	1,248,300	943,182
Occupancy rate (%)	87.8%	86.5%
Number of inpatient discharges	1,095,389	815,883
Number of inpatient deaths	371,663	268,555
Number of inpatient deaths (A)	339	329
Number of inpatient deaths (B)	64,896	48,262
Number of inpatient deaths (A)	59	59
Total inpatient revenue (RMB'000)	436,559	316,817
Total average inpatient spending per bed-day (RMB)	398	388
Outpatients		
Number of outpatient visits	160,015	145,696
Number of outpatient visits (A)	17,831	17,044
Number of outpatient visits (B)	142,184	128,652

34.3% 37.8% 2016, B436.4 ;
 () 2.6% ;
 83.9% (2016: 80.9%).
 12.0% 2016, B83.6 ;
 9.8%; () ;
 1.8% ;
 16.1% (2016: 19.1%), ;
 H H ;
 36.4% ;
 2016, 74.9% (2016: 72.9%), ;
 23.4% 2016, ;
 25.1% (2016: 27.1%).
 ;
 ;
 ;

**For the year ended
December 31,**

	2017	2016
	(RMB'000)	(B'000)
	131,949	103,962
	116,085	87,060
	20,358	12,830
	29,331	17,697
	17,401	14,018
	9,975	6,062
	18,145	19,480
	343,244	261,109

B343.2 31.5% 2016, 26.9% ; (-) 33.3% ; (-)

B19.2
H H H A 2016, 62.8%.

38.4% (2016: 39.8%).
33.8% (2016: 33.3%).
14.5% (2016: 11.7%).

32.6% (2016: 34.5%), 0.5180 () 1. (0.5

B91.8, 31.3 % 2016,
 : () 42.7% ; () 42.7%; ()
 B6.4 A-
 16.8% (2016: 17.0%), A-
 15.8%, : ()
 () H 2017,

4.1.6 Finance (Expenses)/Income – Net

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 k
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For the year ended

4.1.7 Investment Income/(Loss)

Investment income/(loss) for the year ended December 31, 2017 was RMB 350,000 (2016: RMB 4,541,000), an increase of 1,228.2% over 2016. The increase was primarily due to the increase in the fair value of equity investments held for trading.

	For the year ended December 31,	
	2017 (RMB'000)	2016 (RMB'000)
Investment income/(loss)	(6,462)	(6,202)
Other income	350	4,541
Total	(6,112)	(1,661)

The increase in investment income/(loss) for the year ended December 31, 2017 was primarily due to the increase in the fair value of equity investments held for trading (2016: RMB 4,541,000), which was primarily due to the increase in the fair value of equity investments held for trading (2016: RMB 4,541,000), which was primarily due to the increase in the fair value of equity investments held for trading (2016: RMB 4,541,000).

4.1.8 Assets Impairment Losses

Assets impairment losses for the year ended December 31, 2017 were RMB 3,051,400 (2016: RMB 770,514), an increase of 295.7% over 2016. The increase was primarily due to the increase in the impairment losses on equity investments held for trading (2016: RMB 770,514), which was primarily due to the increase in the impairment losses on equity investments held for trading (2016: RMB 770,514).

4.1.9 Non-Operating Income (Expenses) and Other Gains

1. 2019

4.1.11 Total Comprehensive Income

2016, B49.1, 28.7%
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H B B14.9
B7.5
B6.7
A
B

Accounts receivable, net of allowance for doubtful accounts, at December 31, 2017, was \$6,602.26, compared to \$30,557.34 at December 31, 2016. The allowance for doubtful accounts at December 31, 2017, was \$232.20, compared to \$142.90 at December 31, 2016. The ratio of allowance for doubtful accounts to accounts receivable, net of allowance for doubtful accounts, was 3.5% at December 31, 2017, compared to 0.5% at December 31, 2016.

Accounts receivable, net of allowance for doubtful accounts, at December 31, 2017, was \$6,602.26, compared to \$30,557.34 at December 31, 2016. The allowance for doubtful accounts at December 31, 2017, was \$232.20, compared to \$142.90 at December 31, 2016. The ratio of allowance for doubtful accounts to accounts receivable, net of allowance for doubtful accounts, was 3.5% at December 31, 2017, compared to 0.5% at December 31, 2016.

4.2.2 Accounts Receivables

Accounts receivable, net of allowance for doubtful accounts, at December 31, 2017, was \$6,602.26, compared to \$30,557.34 at December 31, 2016. The allowance for doubtful accounts at December 31, 2017, was \$232.20, compared to \$142.90 at December 31, 2016. The ratio of allowance for doubtful accounts to accounts receivable, net of allowance for doubtful accounts, was 3.5% at December 31, 2017, compared to 0.5% at December 31, 2016.

4.2.3 Other Receivables and Prepayments

Accounts receivable, net of allowance for doubtful accounts, at December 31, 2017, was \$6,602.26, compared to \$30,557.34 at December 31, 2016. The allowance for doubtful accounts at December 31, 2017, was \$232.20, compared to \$142.90 at December 31, 2016. The ratio of allowance for doubtful accounts to accounts receivable, net of allowance for doubtful accounts, was 3.5% at December 31, 2017, compared to 0.5% at December 31, 2016.

4.2.4 Investment Properties

A _____ 31, 2017, _____ B128.6
 (_____ 31, 2016: _____ B72.2 _____), _____ W k
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_____ W k B _____ W _____ H
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 (A _____) 12,854.06
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126 0.87 A 75%

11 (A) () 6,602.26

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4.2.8 Other Payables

At December 31, 2017, other payables were **B99.8** million (December 31, 2016: **B38.9** million), consisting of:

4.3 Liquidity and Capital Resources

The following table summarizes the cash flows from operating, investing and financing activities:

	For the year ended	
	2017	2016
	(RMB'000)	(B'000)
Cash generated from operating activities	81,499	49,867
Cash used in investing activities	(223,628)	(92,788)
Cash generated from financing activities	(21,900)	69,080
Change in cash and cash equivalents	(169,625)	38,706

4.3.1 Net Cash Generated from Operating Activities

Net cash generated from operating activities was **B81.5** million in 2017, compared with **B47.8** million in 2016. The increase was primarily due to the increase in net profit of **B18.6** million, partially offset by the increase in net cash used in operating activities of **B101.9** million, which was mainly due to the increase in net cash used in operating activities of **B47.6** million.

4.3.2 Net Cash Used in Investing Activities

Net cash used in investing activities was **B208.9** million in 2017, compared with **B223.6** million in 2016. The decrease was primarily due to the decrease in net cash used in investing activities of **B15.7** million, which was mainly due to the decrease in net cash used in investing activities of **B60.5** million.

4.3.3 Net Cash Used in Financing Activities

At December 31, 2017, the Company had cash and cash equivalents of \$21.9 million, compared to \$90.0 million at December 31, 2016. The decrease was primarily due to the use of cash for the purchase of property and equipment, net of the proceeds from the sale of property and equipment, and the payment of dividends.

4.3.4 Significant Investment, Acquisition and Disposal

The Company has no significant investments, acquisitions or disposals during the period.

4.4 Indebtedness

4.4.1 Bank Borrowings

At December 31, 2017, the Company had bank borrowings of \$200.0 million, compared to \$216.7 million at December 31, 2016. The decrease was primarily due to the repayment of bank borrowings, net of the proceeds from the sale of property and equipment, and the payment of dividends.

4.4.2 Contingent Liabilities

At December 31, 2017, the Company has no contingent liabilities.

4.4.3 Asset Pledge

The Company has no asset pledges.

4.4.4 Contractual Obligations

At December 31, 2017, the Company has contractual obligations of \$334.2 million.

4.4.5 Financial Instruments

The Company has no financial instruments.

4.4.6 Exposure to Fluctuation in Exchange Rates

As at 31 December 2017, the Group's exposure to exchange rate fluctuations is as follows:

Category	Amount (k)
Assets	1,000
Liabilities	1,000

As at 31 December 2017, the Group's exposure to exchange rate fluctuations is as follows:

Category	Amount (k)
Assets	1,000
Liabilities	1,000

4.4.7 Gearing Ratio

As at 31 December 2017, the Group's gearing ratio (total debt divided by total equity) is 34.3% (31 December 2016: 35.1%).

4.4.8 Employees and Remuneration Policy

As at 31 December 2017, the Group has 0 employees (31 December 2016: 0).

5.2 Dividend

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

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10 IMPORTANT EVENTS AFTER THE REPORTING PERIOD

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11 AUDITORS AND ACCOUNTING STANDARDS

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12.2 Change In Accounting Policies

2017, 42 A B
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 (2017 30)
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Content and reason for change in accounting policies	Impacted financial statement item	Amount of impact	
		For the year ended December 31, 2017	For the year ended December 31, 2016
		9,417,463	
		(9,417,463)	
		505,331	115,556
		(505,331)	(115,556)

12.2 Consolidated Annual Financial Information

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12.2.1 Annual Consolidated Income Statement

	For the year ended	
	2017	2016
	RMB	B
1. Revenue	666,435,528	415,408,969
: Revenue from operations	(449,331,902)	(272,071,264)
: Revenue from other operations	(9,780,313)	(1,169,328)
: Revenue from other operations	(1,752,173)	(3,144,314)
: Revenue from other operations	(91,754,247)	(69,855,467)
: Revenue from other operations	(24,262,625)	24,764,573
: Revenue from other operations	(19,104,920)	(3,902,289)
: Revenue from other operations	(6,111,760)	(1,661,152)
	(6,461,760)	(6,201,867)
	(505,331)	(115,556)
	9,417,463	
2. Operating profit	73,249,720	88,254,172
: Operating profit	9,814,600	8,567,750
: Operating profit	(13,201,645)	(4,683,423)
3. Total profit	69,862,675	92,138,499
: Total profit	(22,026,917)	(26,587,505)
4. Net profit	47,835,758	65,550,994
: Net profit	47,835,758	65,550,994

12.2.2 Annual Consolidated Balance Sheets

ASSETS	December 31, 2017 RMB	December 31, 2016 RMB
Current assets		
• Cash and cash equivalents	279,334,159	496,614,542
• Accounts receivable	232,179,323	142,938,440
• Prepaid expenses	43,447,939	54,672,733
• Available-for-sale financial assets	11,132,676	22,283,987
• Other current assets	23,532,469	162,827,694
• Financial assets measured at fair value through profit or loss	12,688,704	12,688,704
Total current assets	602,315,270	892,026,100
Non-current assets		
• Available-for-sale financial assets	50,000,000	50,000,000
• Investment properties	89,683,865	22,429,070
• Long-term equity investments	128,568,963	72,191,872
• Other non-current assets	502,649,528	97,666,540
• Financial assets measured at fair value through profit or loss	22,290,670	198,066,153
• Investment in subsidiaries	151,842,863	125,865,371
• Investment in associates	4,823,557	8,533,389
• Investment in joint ventures	96,335,653	88,855,792
• Other non-current assets	22,571,944	20,300,383
• Financial assets measured at fair value through other comprehensive income	19,318,211	27,447,253
Total non-current assets	1,088,085,254	711,355,823
TOTAL ASSETS	1,690,400,524	1,603,381,923

LIABILITIES AND OWNERS' EQUITY	December 31, 2017 RMB	December 31, 2016 RMB
Current liabilities		
Accounts payable ¹⁰⁰	90,000,000	30,000,000
Accounts receivable	83,787,338	43,271,014
Accounts payable - related parties	7,511,284	71,147,900
Accounts payable - other parties	23,714,318	19,552,350
Other payables	34,912,381	41,195,655
Other liabilities	99,79	

12.2.3 Annual Consolidated Statements of Cash Flow

	For the year ended	
	December 31,	
	2017	2016
	RMB	US\$
1. Cash flows generated from operating activities		
• Cash received from customers	502,692,532	415,653,362
• Cash received from other parties	35,442,492	28,832,288
Sub-total of cash inflows	538,135,024	444,485,650
• Cash paid for operating expenses	(172,416,737)	(168,939,165)
• Cash paid for taxes	(158,956,031)	(118,573,469)
• Cash paid for interest	(47,590,827)	(25,779,704)
• Cash paid for dividends	(77,672,510)	(81,326,450)
Sub-total of cash outflows	(456,636,105)	(394,618,788)
Net cash flows generated from operating activities	81,498,919	49,866,862
2. Cash flows used in investing activities		
• Cash received from disposal of subsidiaries	5,675,000	1,075,000
• Cash received from disposal of property, plant and equipment	—	2,039,728
• Cash received from disposal of financial assets	—	1,500,000
• Cash received from disposal of intangible assets	310,446,972	256,999,636
Sub-total of cash inflows	316,121,972	261,614,364
• Cash paid for acquisition of subsidiaries	(208,923,550)	(183,852,005)
• Cash paid for acquisition of property, plant and equipment	(60,498,286)	(71,708,000)
• Cash paid for acquisition of financial assets	—	(280,995)
• Cash paid for acquisition of intangible assets	(270,328,000)	(98,561,000)
Sub-total of cash outflows	(539,749,836)	(354,402,000)
Net cash flows used in investing activities	(223,627,864)	(92,787,636)

12.3 Notes to the Consolidated Annual Financial Information prepared in accordance with the China Accounting Standard for Business Enterprises

12.3.1 Accounts receivable

	December 31,	December 31,
	2017	2016
	RMB	USD
Accounts receivable	2,250,000	1,000,000
Notes receivable	245,277,585	151,042,945
Other receivables	247,527,585	151,042,945
Less: Allowance for doubtful accounts	(15,348,262)	(8,104,505)
	232,179,323	142,938,440

As of December 31, 2017, 2016, the carrying amount of accounts receivable is RMB and USD, respectively.

	31 December	31 December
	2017	2016
	RMB	USD
Within 1 year	215,379,873	137,552,824
1 - 2 years	29,274,942	10,835,771
2 - 3 years	2,441,995	2,211,065
Over 3 years	430,775	443,285
	247,527,585	151,042,945

A significant portion of accounts receivable is derived from the sale of products.

12.3.2 Accounts payable

As of December 31, 2017, 2016, the carrying amount of accounts payable is RMB and USD, respectively.

	December 31,	December 31,
	2017	2016
	RMB	USD
Within 3 months	42,078,771	39,665,783
3-6 months	7,390,442	2,933,736
6-12 months	20,557,648	223,574
1 - 2 years	13,579,346	103,052
2 - 3 years	27,315	344,869
Over 3 years	153,816	0.4303

12.3.3 Revenue and cost of sales

	For the year ended December 31,	
	2017	2016
	RMB	US\$
Revenue	546,561,325	410,447,911
Cost of sales	119,874,203	4,961,058
	<u>666,435,528</u>	<u>415,408,969</u>
Revenue from main businesses	354,933,687	270,663,677
Cost of sales from main businesses	94,398,215	1,407,587
	<u>449,331,902</u>	<u>272,071,264</u>

Revenue and cost of sale from main businesses

	For the year ended December 31,	
	RMB	US\$
Revenue from main businesses		
Revenue from sales of goods	130,681,392	107,405,332
Revenue from sales of services	389,493,815	235,838,816
Revenue from other sources	26,386,118	11,689,539
	<u>546,561,325</u>	

**For the year ended
December 31, 2016**

RMB *U.S. \$*

Revenue
from main
businesses

105,905,729 86,970,397

285,599,012 174,138,929

18,943,170 9,554,351

410,447,911 **270,663,677**

Revenue from main businesses
Revenue from other businesses
Revenue from investment management

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12.3.5 Income tax expenses

	For the year ended December 31,	
	2017	2016
	RMB	USD
Income tax expense	30,123,517	32,874,281
Income tax credit	(8,096,600)	(6,286,776)
	<u>22,026,917</u>	<u>26,587,505</u>

The income tax expense for the year ended December 31, 2017 is calculated as follows:

	For the year ended December 31,	
	2017	2016
	RMB	USD
Income tax expense	69,862,675	92,138,499
Income tax credit	(52,397,006)	(69,804,274)
Income tax expense	17,465,669	23,034,625
Income tax credit	(3,741,704)	(4,967,514)
Income tax expense	579,395	(768,322)
Income tax credit	(42,417)	(56,188)
Income tax expense	415,248	550,000
Income tax credit	(207,837)	(278,000)
Income tax expense	(340,519)	(452,000)
	<u>22,026,917</u>	<u>26,587,505</u>

12.3.6 Dividends

23, 2018, B	B10,956,000
31, 2017, 70	73,040,000
31, 2017.	8 00 (0) 0028 4, 41 0 00, 45286000 (

13 DEFINITIONS

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