



2 FINANCIAL HIGHLIGHTS

2.1 Principal Financial Data and Indicators

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Operating income	1,484,903	1,274,300
Operating expenses	15,605	5,611
Operating profit	26,574	54,831
Operating loss	-10,969	40,800
Operating profit after tax	-24,221	44,036
Operating loss after tax	13,252	-3,176
	As of December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Operating assets	2,637,787	2,377,550
Operating liabilities	1,311,885	1,077,676
Operating assets less liabilities	1,325,903	1,280,274
Operating assets less liabilities after tax	1,201,585	1,208,204
Operating assets less liabilities after tax and minority interest	124,318	72,015
Operating assets less liabilities after tax and minority interest after tax		
	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Operating assets less liabilities after tax and minority interest	227,221	13,806
Operating assets less liabilities after tax and minority interest after tax	-273,615	-23,004
Operating assets less liabilities after tax and minority interest after tax and minority interest	116,178	33,833
Operating assets less liabilities after tax and minority interest after tax and minority interest after tax	69,861	-11,358

3 BUSINESS REVIEW AND OUTLOOK

3.1 Business Review

[illegible]

2022. D_r H K H , K H , K H , I . I f f f f f H , K H , H , H H K f ff H , H K H , H I B H H H f D 31, 2022, 2 (D 31, 2021 27), (I H), ,688 (D 31, 2021 8,728).

I 2022,          

4 MANAGEMENT DISCUSSION AND ANALYSIS

4.1 Financial Review

For the year ended December 31, 2022, the Company's revenue was RMB1,366.8 million, an increase of 13.6% from RMB1,202.8 million in 2021. The Company's net profit was RMB110.0 million, an increase of 23.6% from RMB88.5 million in 2021. The Company's operating profit was RMB110.0 million, an increase of 23.6% from RMB88.5 million in 2021. The Company's basic EPS was RMB0.352, an increase of 7.3% from RMB0.328 in 2021. The Company's diluted EPS was RMB0.352, an increase of 7.3% from RMB0.328 in 2021. The Company's cash and cash equivalents were RMB227.2 million at the end of 2022, an increase of 17.2% from RMB193.8 million at the end of 2021.

4.1.1 Revenue and Cost of Revenue

The Company's revenue is derived from the sale of its products and services. The Company's revenue is recognized when the product or service is delivered to the customer and the customer has accepted it. The Company's cost of revenue is the cost of the product or service sold. The Company's gross profit is the revenue minus the cost of revenue. The Company's gross profit margin is the gross profit divided by the revenue.

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Revenue	1,366,817	1,202,774
Cost of revenue	110,018	71,077
Gross profit	8,068	23,555
Total revenue	1,484,903	1,274,330

The Company's revenue is derived from the sale of its products and services. The Company's revenue is recognized when the product or service is delivered to the customer and the customer has accepted it. The Company's cost of revenue is the cost of the product or service sold. The Company's gross profit is the revenue minus the cost of revenue. The Company's gross profit margin is the gross profit divided by the revenue.

	For the year ended December 31, 2022 (RMB'000)	2021 (B'000)
Treatment and general healthcare services		
Billing Revenue from owned hospitals	1,119,887	62,408
Discharge revenue from hospitals	770,287	68,112
Revenue from other hospitals	349,600	304,214
Pharmaceutical sales		
Billing Revenue from owned hospitals	305,118	267,588
Discharge revenue from hospitals	269,828	238,181
Revenue from other hospitals	35,290	28,670
Billing Revenue from owned hospitals	1,425,005	1,220,106
Discharge revenue from hospitals	1,040,115	877,112
Revenue from other hospitals	384,890	332,884

	For the year ended December 31, 2022	2021
Inpatients		
Inpatient revenue (RMB'000)	9,688	8,728
Efficiency ratio (%)	3,536,120	3,185,720
Operating margin (%)	88.7	87.1
Total inpatient revenue (RMB'000)	3,134,950	2,773,000
Average inpatient spending per bed-day (RMB)	1,061,798	1,083,370
Outpatient revenue (RMB'000)	339	327
Average outpatient spending per visit (RMB)	156,512	155,300
Total outpatient revenue (RMB'000)	50	52
Total average outpatient spending per visit (RMB)	1,218,310	1,053,686
Outpatients		
Outpatient revenue (RMB'000)	527,050	402,666
Operating margin (%)	58,089	54,071
Average outpatient spending per visit (RMB)	110	130
Total outpatient revenue (RMB'000)	148,606	122,230
Average outpatient spending per visit (RMB)	282	300
Total outpatient revenue (RMB'000)	206,695	176,310
Total treatment and general healthcare services revenue (RMB'000)	1,119,887	92,408
Total pharmaceutical sales revenue (RMB'000)	305,118	267,588
Drugs		
Drug revenue (RMB'000)	15.6%	13.0%
Operating margin (%)	K H	K H
Average drug spending per unit (RMB)	J H	J H
Total drug revenue (RMB'000)	B	B
Average drug spending per unit (RMB)	f 15.6%	f 13.0%
Operating margin (%)	2.4%	85.5% (2021 85.7%)

During the year ended December 31, 2022, the Company's operating income increased by 17.2% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating expenses increased by 30.0% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit increased by 10.5% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 1.5% (2021: 1.3%).

During the year ended December 31, 2022, the Company's operating income increased by 16.6% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating expenses increased by 78.6% (2021: 78.2%) from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit increased by 1.0% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 21.4% (2021: 21.8%) from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 12.8% (2021: 13.8%), primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 71.0% (2021: 6.3%).

The Company's operating income increased by 17.2% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating expenses increased by 30.0% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit increased by 10.5% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 1.5% (2021: 1.3%).

	For the year ended December 31,	
	2022	2021
	(RMB'000)	(RMB'000)
Operating income	339,777	310,000
Operating expenses	390,107	321,207
Operating profit	33,584	22,283
Operating profit margin	99,553	75,386
	63,747	53,470
	27,588	25,555
	85,759	6,081

Cost of revenue of owned hospitals	1,040,115	87,112
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During the year ended December 31, 2022, the Company's operating income increased by 15.0% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating expenses increased by 15.0% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit increased by 21.5% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate. The Company's operating profit margin increased by 32.1% from 2021, primarily due to the increase in the number of inpatient days and the average daily rate.

32.7% (2021 34.6%).
 37.5% (2021 35.8%).
 12.8% (2021 13.1%).
 1%).

4.1.3 Tax and Surcharge

Decreased by RMB15.0 million (2021: RMB5.8 million).

4.1.4 Selling Expenses

Decreased by RMB15.0 million (2021: RMB10.3 million). Selling expenses decreased by 1.1% from RMB1,000 million (2021: 0.%)

4.1.5 Administrative Expenses

Decreased by RMB10.0 million (2021: RMB10.0 million). Administrative expenses decreased by 0.5% from RMB2,000 million (2021: 0.5%)

For the year ended
December 31,
2022 2021
(RMB)

4.1.6 Research and Development Expenses

During the year, the Group incurred research and development expenses of RMB18,899,000 (2021: RMB16,687,000). Of these, RMB9,803,000 (2021: RMB8,050,000) were incurred in connection with the Group's self-developed intangible assets, and RMB4,053,000 (2021: RMB3,114,000) were incurred in connection with the Group's self-developed software.

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Research and development expenses	18,899	16,687
Self-developed intangible assets	9,803	8,050
Self-developed software	4,053	3,114
	273	302
Total	33,028	27,622

During the year, the Group incurred research and development expenses of RMB33.0 million (2021: RMB28.0 million), an increase of 18.1% compared with 2021. Of these, RMB9.8 million (2021: RMB8.1 million) were incurred in connection with the Group's self-developed intangible assets, and RMB4.1 million (2021: RMB3.1 million) were incurred in connection with the Group's self-developed software. The increase in research and development expenses was mainly due to the increase in the number of R&D personnel and the increase in the number of R&D projects.

4.1.7 Finance Expenses – Net

During the year, the Group incurred finance expenses of RMB11,936,000 (2021: RMB14,200,000) and received finance income of RMB2,000,000 (2021: RMB3,042,000). The net finance expenses for the year were RMB44,310,000 (2021: RMB37,658,000).

	For the year ended December 31,	
	2022	2021
	(RMB'000)	(RMB'000)
Interest on bank borrowings	-2,762	-1,613
Interest on other financial assets	-78	3
Bank interest income	33,214	21,780
Interest income on other financial assets	11,936	14,200
	<u>2,000</u>	<u>3,042</u>
Finance expenses – net	<u>44,310</u>	<u>37,658</u>

During the year, the Group incurred finance expenses of RMB11,936,000 (2021: RMB14,200,000) and received finance income of RMB2,000,000 (2021: RMB3,042,000). The net finance expenses for the year were RMB44,310,000 (2021: RMB37,658,000).

4.1.8 Investment Income

During the year, the Company's investment income was primarily derived from the following sources:

	For the year ended December 31,	
	2022 (RMB'000)	2021 (RMB'000)
Interest income from bank deposits	-15,927	-65,66
Dividend income from equity investments	18,063	7,075
Other income	714	642
	<u>2,850</u>	<u>638</u>

During the year, the Company's investment income was primarily derived from the following sources: B2. Interest income from bank deposits, H. Dividend income from equity investments, B-15. Other income, H. Interest income from bank deposits, H. Dividend income from equity investments, I. Other income, L.

4.1.9 Credit Impairment Losses

During the year, the Company's credit impairment losses were primarily derived from the following sources: B25.2. Credit impairment losses from bank deposits, (2021 B2.1), H. Credit impairment losses from bank deposits, B15. Credit impairment losses from bank deposits, H.

4.1.10 Asset Impairment Losses

During the year, the Company's asset impairment losses were primarily derived from the following sources: B10.3. Asset impairment losses from bank deposits, H. Asset impairment losses from bank deposits, B. Asset impairment losses from bank deposits, H.

4.1.11 Non-Operating Income and Non-Operating Expenses

For the year ended December 31,		2022	2021
		(RMB'000)	(B'000)
Other income		55	266
Depreciation		7,436	7,470
Depletion		—	1,800
Amortization		1,063	300
Non-operating income		8,554	11,836
Loss on disposal of non-current assets		1,588	166
Depreciation		3,928	3,333
Expense on disposal of non-current assets		1,754	13
Expense on disposal of non-current assets		—	2,000
		2,071	1,73
Non-operating expenses		9,341	8,687
During the year ended December 31, 2021, the Company incurred non-operating expenses of RMB8.6 million (2020: RMB3.3 million), of which depreciation expense was RMB3.3 million (2020: RMB3.3 million), loss on disposal of non-current assets was RMB1.4 million (2020: RMB1.4 million), and expense on disposal of non-current assets was RMB1.9 million (2020: RMB1.9 million).			

4.1.12 Income Tax Expense

During the year ended December 31, 2021, the Company incurred income tax expense of RMB54.8 million (2020: RMB26.6 million), of which current income tax expense was RMB51.5 million (2020: RMB57.3 million), and deferred income tax expense was RMB3.3 million (2020: RMB1.3 million).			
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4.2 Financial Position

4.2.1 Inventory

f D ₪ 31, 2022, ₪ 58.3 (f D ₪ 31, 2021 B5 65 ₪), ₪ .

4.2.2 Accounts Receivables

f D ₪ 31, 2022, ₪ B382.8 (D ₪ 31, 2021 B311.8 ₪), ₪ f 22.8% ₪ f D ₪ 31, 2021, ₪ f ₪ , ₪ D, ₪ , ₪ f ₪ , ₪ ₪2 (2021 37).

4.2.3 Other Receivables and Prepayments

f D 31, 2022, B 6.4
(f D 31, 2021 () B 1.8).

4.2.4 Other Non-current Financial Assets

f D 31, 2022, f B 6.1 (f D 31, 2021 f B 6.8). D, B2.7
 J, F,

4.2.5 Construction in progress

f_D (31, 2022), f_D (31, 2021), f_L , H , J , H

4.2.6 Right-of-use Assets

f_D 31, 2022, f_{-1} B1 0. (f D 31, 2021 B257.), f_{-1} f B5.2 f_{-1} f f H

4.2.7 Accounts Payables

f_D 31, 2022, $B_{85.8}$ (f_D 31, 2021 $B_{6.2}$).

4.2.8 Receipts in Advance and Contract Liabilities

2. f_D (31, 2022, B1 63).

4.2.9 Other Payables

$f_D = 31, 2022, B72.2$ ($f_D = 31, 2021$), $B57.3$), f_L $B17.0$ f_L

4.3 Liquidity and Capital Resources

	For the year ended December 31,	
	2022 (RMB'000)	2021 (B'000)
Operating activities	227,221	13,866
Investing activities	-273,615	-23,000
Financing activities	116,178	33,833
Net change in cash and cash equivalents	69,861	-11,358

4.3.1 Net Cash Generated from Operating Activities

Operating cash flow	B227.2	B-23.2
Change in operating assets and liabilities	B35.5	B10.6
Net cash generated from operating activities	B11.6	B11.6

4.3.2 Net Cash Used in Investing Activities

Investing cash flow	B273.6	B23.6
Change in investing assets and liabilities	B23.6	B23.6
Net cash used in investing activities	B23.6	B23.6

4.3.3 Net Cash Generated from Financing Activities

Financing cash flow	B11.6	B11.6
Change in financing assets and liabilities	B11.6	B11.6
Net cash generated from financing activities	B11.6	B11.6

4.3.4 Significant Investment, Acquisition and Disposal

Investment, acquisition and disposal	B11.6	B11.6
Change in investment, acquisition and disposal	B11.6	B11.6
Net cash generated from investment, acquisition and disposal	B11.6	B11.6

4.4 Indebtedness

4.4.1 Bank Borrowings

As at December 31, 2022, the Group had bank borrowings of HK\$61.65 million (December 31, 2021: HK\$553.2 million), of which HK\$33 million were secured bank borrowings and HK\$28.65 million were unsecured bank borrowings.

4.4.2 Contingent Liability

As at December 31, 2022, the Group had no contingent liability.

4.4.3 Asset Pledge

The Group's assets pledged to the bank are as follows:

Assets	2022	2021
Land and buildings	HK\$82,675,000	HK\$82,675,000
Equity investments	HK\$1,001,012	HK\$1,001,012
Other assets	HK\$1,118,333	HK\$1,118,333

4.4.4 Lease Liabilities

As at December 31, 2022, the Group had lease liabilities of HK\$25.5 million (December 31, 2021: HK\$171.4 million).

4.4.5 Financial Instruments

The Group's financial instruments are classified into financial assets and financial liabilities. The Group's financial assets are classified into cash and cash equivalents, and financial liabilities are classified into bank borrowings and lease liabilities.

4.4.6 Exposure to Fluctuation in Exchange Rates

The Group's financial instruments are denominated in Hong Kong dollars (HKD). The Group's financial instruments are classified into financial assets and financial liabilities. The Group's financial assets are classified into cash and cash equivalents, and financial liabilities are classified into bank borrowings and lease liabilities.

4.4.7 Gearing Ratio

f D 31, 2022, 7% (f D 31, 2021 () 62%),

4.4.8 Employees and Remuneration Policy

[illegible]

M.M.8.1 I

[illegible]

I f E , I f f
f 16 , 1,818,52
23 , 180,516 ()
f 13 , 50,22 f
f 8 , f 7 ,27
E , I 13 , 2,000
f 3.27% f
f f B10.7/

5 SIGNIFICANT EVENTS

5.1 Dividend

B               

5.2 Independent investigation related matters

()
LL
(PwC), f , f , () BD
L f LL (BDO),
f f D 31, 2021.

$$\begin{aligned}
(1) \quad & f_{\alpha_1}^{\beta_1} \cdot f_{\alpha_2}^{\beta_2} = f_{\alpha_1 + \alpha_2}^{\beta_1 + \beta_2}, \\
(2) \quad & f_{\alpha_1}^{\beta_1} \cdot f_{\alpha_2}^{\beta_2} = f_{\alpha_1}^{\beta_1} \cdot f_{\alpha_2}^{\beta_2}, \\
(3) \quad & f_{\alpha_1}^{\beta_1} \cdot f_{\alpha_2}^{\beta_2} = f_{\alpha_1}^{\beta_1} \cdot f_{\alpha_2}^{\beta_2}.
\end{aligned}$$

1st, 2022, (1) Investigation Firm (2) Alleged Area I (3) Alleged Area II (4) Alleged Area III). Dr. 1st, 2022, 23, 2022, I 1st, 2022. I

2021 2021 27, 2022 15, 2022, 31, 30, 2022 I f J, 30, 2022 J, 10, 2023 J 16, 2023, f

Figure 1 shows Feynman diagrams for the decay of a scalar particle S into two photons ($\gamma\gamma$). The diagrams are categorized into three groups: A, B, and C. Group A includes diagrams with a fermion loop (f) and a scalar loop (S). Group B includes diagrams with a fermion loop (f) and a scalar loop (S). Group C includes diagrams with a fermion loop (f) and a scalar loop (S).

5.3 Correction of previous accounting errors

5.2 f , , f f 2020
2021, f , 38 f 3 f B f D
11 f 3 f f f
f f f E ,
f f 2021 f
f

5.3.1 Reasons for and details of the correction of previous accounting errors

5.3.1.1 f f B .18 2020
B f f f f
I f B1 3
201 2020 B .18 30 f 3
f B 8 f 3 f
f E D f 2020 ,
B .18 , f
f f f
f B f f
f 2020 B12,878 B ,203,7 1 ,
B ,1 0,8 3 f f 2021
B12,878, B12,878 B ,203,7 1 ,
f f B ,1 0,8 3.

5.3.2 The cumulative impact of the correction of previous accounting errors in the financial statements for 2020 and 2021

(1) $I \ll f$ 2020

$$(B, \quad f)$$

Items	After restatement	Cumulative effect of error correction	Before restatement
Cost of sales	12, 87, 640	,1 0,8 6	3,7 6777
Cost of sales	83,50 ,118	,1 0,8 6	74,318,255
Cost of sales	52,84 6 23	,1 0,8 6	43, 6 60 60
Cost of sales			
Cost of sales			
Cost of sales	64, 61,025	,1 0,8 6	55,770,1 62

(2) B f 2020

$$(B, \quad f)$$

Items	After restatement	Cumulative effect of error correction	Before restatement
Assets	6,165,824	-12,878	6,178,702
Liabilities	52,63,617	-12,878	52,63,615
Equity	2,16,26,775	-12,878	2,16,27,653
Income	76,03,400	-203,741	85,807,141
Expenses	60,077,103	-203,741	615,280,844
Net income	16,35,296	-203,741	55,552,297
Retained earnings	21,85,60	10,863	205,65,236
Shareholders' equity			
Common stock	1,122,247,550	10,863	1,113,056,686
Preferred stock	1,21,12,55	10,863	1,205,721,65
Accumulated deficit			
Accumulated deficit	2,16,26,775	-12,878	2,16,27,653

(3) 2021

(B, f)

Items	After restatement	Cumulative effect of error correction	Before restatement
	2,25,88	-12,878	2,38,366
	6,02,63	-12,878	6,15,501
	2,377,54,8	-12,878	2,377,67,867
	57,31,524	-203,741	66,523,265
	535,774,65	-203,741	544,78,376
	1,07,675,868	-203,741	1,10,687,60
I	637,845	-12,878	650,723
	257,08,624	10,86	247,07,761
f	1,208,26,87	10,86	1,1,073,034
	1,280,27,120	10,86	1,271,088,257
	2,377,54,8	-12,878	2,377,67,867

Opinions of the Independent Non-executive Directors

The Independent Non-executive Directors have reviewed the financial statements of the Company for the year ended 31st March 2021 and are of the opinion that the financial statements are fair and give a true and fair view of the financial position and performance of the Company.

Opinions of the Board

The Board of Directors has reviewed the financial statements of the Company for the year ended 31st March 2021 and is of the opinion that the financial statements are fair and give a true and fair view of the financial position and performance of the Company.

Opinions of the Supervisory Committee

The Supervisory Committee has reviewed the financial statements of the Company for the year ended 31st March 2021 and is of the opinion that the financial statements are fair and give a true and fair view of the financial position and performance of the Company.

Opinions of the Audit Committee

The Audit Committee has reviewed the financial statements and the accompanying notes to the financial statements of the Company for the year ended December 31, 2017, and has concluded that the financial statements are presented fairly in all material aspects the financial position, results of operations and cash flows of the Company for the year ended December 31, 2017, in accordance with accounting principles generally accepted in the United States of America.

6 PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended December 31, 2017, the Company did not purchase, sell or redeem any of its listed securities.

The Company's (including its subsidiaries) total LI, including the LI of the Company's subsidiaries, is \$1,000,000. The Company's (including its subsidiaries) total LI, including the LI of the Company's subsidiaries, is \$1,000,000. The Company's (including its subsidiaries) total LI, including the LI of the Company's subsidiaries, is \$1,000,000.

9 COMPLIANCE WITH THE MODEL CODE

D. f f f
 D. f D. f , D. H f
 f f f f f
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3 f , f f
 f f f f

12.1 Accounting Policies

Chang Baof Signcoun0.0ing Policies)

$$f_{\text{B}} = \frac{\Gamma}{E} f_{\text{G}}$$

(☐ , ☐ B , ☒)

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Items	Year ended December 31,	
	2022	2021
Revenue	14,907,711	13,61,635
Cost of sales	2,850,458	6,37,845
Depreciation and amortization	-15,926,847	-65,65,720
Finance income	-	-
Finance expense	-	-
Other income	-	-
Other expense	-	-
Profit before tax	-15,977,326	1,17,31
Income tax expense	-25,191,541	-2,140,16
Profit after tax	-10,345,461	-617,20
Minority interest	406,185	-7,404
III. Operating profit (losses represented with “-” signs)	16,391,934	2,11,75
Loss	8,553,978	11,835,32
	9,341,039	8,68,6584
IV. Total profit (total losses represented with “-” signs)	15,604,873	5,61,143
Loss	26,573,712	54,830,13
V. Net profit (net losses represented with “-” signs)	-10,968,839	4,86,230
(I)		
1.	-10,968,839	4,86,230
2.	-	-
(II)		
1.	-24,220,782	44,035,5
2.	13,251,944	-3,175,76

Items

Year ended December 31,
2022 ~~2021~~

VI. Other comprehensive income, net of tax

(I)		
1.		
2.		
3.		
4.		
(II)		
1.		
2.		
3.		
4.		
5.		
6 E		
7.		

VII. Total comprehensive income

	-10,968,838	¥0,8 0,230
	-24,220,782	¥¥,035, 5
	13,251,944	-3,175,7 6

VIII. Earnings per share:

(I) B	-0.32	0. 61
(II) D	-0.32	0.5

12.2.2 Annual Consolidated Balance Sheets

(in millions of Philippine pesos)

ASSETS	December 31, 2022	December 31, 2021	January 1, 2021
Current assets:			
Cash and cash equivalents	271,094,963	188,734,846	206,456
Accounts receivable	—	—	—
Prepaid expenses and other current assets	—	—	—
Financial assets at fair value through profit or loss	10,641,026	10,000,000	—
Derivatives	—	—	—
Investments	382,836,691	311,757,875	225,300,247
Other non-current assets	—	—	—
Goodwill	32,201,224	11,858,427	1,051,010
Intangible assets	—	—	—
Other non-current assets	—	—	—
Financial assets at fair value through other comprehensive income	37,195,220	2,254,888	6,465,824
Investments	58,331,397	5,651,301	37,508,472
Other non-current assets	—	—	—
Financial assets at fair value through other comprehensive income	—	—	—
Other non-current assets	—	—	—
Other non-current assets	752,325	80,686	—
Total current assets	793,052,846	604,026,23	542,683,617

ASSETS	December 31, 2022	December 31, 2021	January 1, 2021
Non-current assets:			
Land	—	—	—
Buildings	—	—	—
Leasehold improvements	—	—	—
Equipment	14,000,000	—	—
Intangible assets	143,546,246	12,817,777	7,816,314
Goodwill	—	—	—
Investments	63,116,852	65,812,275	57,404,181
Other non-current assets	—	—	107,804,366
Deferred tax assets	695,020,441	721,867,772	533,743,384
Other non-current liabilities	152,497,400	143,755,718	134,412,866
Other non-current assets	—	—	—
Other non-current liabilities	—	—	—
Other non-current assets	190,403,752	257,412,270	232,612,441
Other non-current liabilities	254,684,348	227,117,855	162,536,728
Other non-current assets	—	—	—
Other non-current liabilities	—	—	—
Other non-current assets	107,655,738	135,741,377	7,148,853
Other non-current liabilities	189,586,339	150,501,038	153,550,840
Other non-current assets	20,682,398	14,336,665	40,258,388
Other non-current liabilities	13,541,047	21,066,387	18,708,451
Total non-current assets	1,844,734,561	1,768,352,366	1,618,578,158
TOTAL ASSETS	2,637,787,407	2,377,544,811	2,161,261,775

[illegible]

LIABILITIES AND SHAREHOLDERS' EQUITY

December 31,
2022

December 31,
2021

January 1,
2021

Non-current liabilities:

Long-term debt

Long-term debt

B

Interest payable

Interest payable

Long-term debt

Long-term debt

Long-term debt

—

—

Deferred income taxes

Deferred income taxes

—

—

Total non-current liabilities

Total liabilities

Shareholders' equity:

Common stock

Common stock

Interest payable

Interest payable

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Long-term debt

Total shareholders' equity

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

—

391,010,000

—

—

—

171,437,740

42,404,938

—

—

—

9,037,891

40,547,879

—

—

—

654,438,448

—

—

1,311,884,788

—

74,600,300

—

—

—

855,078,533

—

—

—

—

38,399,577

—

233,506,534

—

—

1,201,584,945

124,317,674

—

1,325,902,619

—

—

2,637,787,407

280,500,000

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—

231,733,700

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3,311,683

3,875,700

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501,01,233

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1,075,675,868

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7,600,300

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838,163,366

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38,399,577

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257,088,624

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1,208,268,877

72,015,224

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1,280,271,120

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2,377,548,800

110,270

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1,601,230

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5,454,755

25,032,438

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3,027,213

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7,600,300

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1,122,247,550

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1,214,12,555

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2,101,201,775

12.2.3 Annual Consolidated Statements of Cash Flow

Items	Year ended December 31, 2022	2021
I. Cash flows from operating activities		
Receipts from sales of goods and services	1,452,028,763	1,211,114,151
Receipts from interest	—	—
Receipts from dividends	—	—
Receipts from other operating activities	—	—
Payments for purchases of goods and services	—	—
Payments for interest	—	—
Payments for dividends	—	—
Payments for other operating activities	—	—
Sub-total of cash inflows of operating activities	1,452,028,763	1,211,114,151
Payments for purchases of property, plant and equipment	—	—
Payments for purchases of intangible assets	—	—
Payments for other investing activities	—	—
Proceeds from sales of property, plant and equipment	—	—
Proceeds from sales of intangible assets	—	—
Proceeds from other investing activities	—	—
Sub-total of cash flows from investing activities	—	—
Proceeds from issuance of equity	—	—
Proceeds from issuance of debt	—	—
Payments for redemption of debt	—	—
Payments for other financing activities	—	—
Sub-total of cash flows from financing activities	—	—
Net cash flows from operating activities	1,452,028,763	1,211,114,151

Items	Year ended December 31,	
	2022	2021
III. Cash flows from financing activities		
I. Proceeds from the issuance of debt	9,153,084	2,000,000
II. Proceeds from the issuance of equity	9,153,084	2,000,000
III. Proceeds from the issuance of preferred stock	387,500,000	550,250,000
IV. Proceeds from the issuance of common stock	151,420,250	
V. Proceeds from the issuance of convertible preferred stock	548,073,334	553,150,000
VI. Proceeds from the issuance of convertible common stock	324,220,000	28,32,70
VII. Proceeds from the issuance of convertible preferred stock	51,554,508	30,27,107
VIII. Proceeds from the issuance of convertible common stock		
IX. Proceeds from the issuance of convertible preferred stock		
X. Proceeds from the issuance of convertible common stock	56,121,295	6,676,566
Sub-total of cash outflows of financing activities	431,895,803	51,316,63
Net cash flows from financing activities	116,177,531	33,833,357
IV. Effect of foreign exchange rate changes on cash and cash equivalents	78,463	-38,704
V. Net increase in cash and cash equivalents	69,861,145	-11,357,81
VI. Cash and cash equivalents at the end of the period	188,734,846	200,02,665
VI. Cash and cash equivalents at the end of the period	258,595,991	188,734,846

12.2.4 Consolidated Statement of Changes in Shareholders' Equity

(in million Chinese Yuan)

Items	Other equity instruments				Amount for the current period Equity attributable to owners of the parent company							Subtotal	Non-controlling interests	Total owners' equity
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings			
I. Balance at the beginning of the period	74,600,300				838,165,396				38,399,577		257,098,624	1,208,263,897	72,015,224	1,280,279,121
II. Changes during the period														
III. Balance at the end of the period	74,600,300				838,165,396				38,399,577		257,098,624	1,208,263,897	72,015,224	1,280,279,121
IV. Changes during the period														
V. Balance at the end of the period					16,913,137						-23,592,090	-6,678,953	52,302,450	45,623,497
(I) Changes during the period											-24,220,782	-24,220,782	13,251,943	-10,968,839
(II) Balance at the end of the period					12,214,419							12,214,419	43,363,507	55,577,926
1. Changes during the period														
2. Balance at the end of the period													43,363,507	43,363,507
3. Changes during the period														
4. Balance at the end of the period					12,214,419							12,214,419		12,214,419
V. Balance at the end of the period														

Amount for the current period
Equity attributable to owners of the parent company

Items	Other equity instruments				Amount for the current period							Subtotal	Non-controlling interests	Total owners' equity
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings			
(III) D. 2019.12.31 f													-4,313,000	-4,313,000
1. 2019.12.31 f													-	
2. 2019.12.31 f														
3. 2019.12.31 f													-4,313,000	-4,313,000
(II) I. 2019.12.31 f														
1. 2019.12.31 f														
2. 2019.12.31 f														
3. 2019.12.31 f														
4. 2019.12.31 f														
5. 2019.12.31 f														
6. 2019.12.31 f														

Items	Other equity instruments				Amount for the current period Equity attributable to owners of the parent company							Non- controlling interests	Total owners' equity
	Share capital	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Provision for general risk	Retained earnings	Subtotal	
(12) 1. 2023年12月31日													
(12) 2. 2023年12月31日													
(12) B 2023年12月31日					4,698,718						628,692	5,327,410	5,327,410
2023年12月31日	74,600,300				855,078,533				38,399,577		233,506,534	1,201,584,944	1,325,902,618

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-1,80 63*8

1,80 63*8

-1,80 63*8

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

The aging analysis of accounts receivables based on the billing date is as follows:

	December 31, 2022 RMB	December 31, 2021 RMB
1 year or less	388,961,193	303,10,574
1-2 years	4,755,920	,812,85
2-3 years	3,941,367	,25,870
3-4 years	3,248,300	3,140,407
4-5 years	1,932,594	
	<u>402,839,374</u>	<u>321,123,710</u>
Long-term receivables	20,002,683	,36,835
	<u><u>382,836,691</u></u>	<u><u>311,757,875</u></u>

Accounts receivable shown by classification of bad debt provisions

	December 31, 2022				
	Balance of carrying amount	Proportion	Provision for bad debts	Percent of	Book value
	Amount	(%)	Amount	provision (%)	
Accounts receivable	18,221,976	4.52	12,514,143	68.68	5,707,833
Impairment loss	18,221,976	4.52	12,514,143	68.68	5,707,833
Accounts receivable	384,617,398	95.48	7,488,540	1.95	377,128,858
Impairment loss	384,617,398	95.48	7,488,540	1.95	377,128,858
	<u>402,839,374</u>	<u>100.00</u>	<u>20,002,683</u>	<u>5.0</u>	<u>382,836,691</u>
December 31, 2021 (continued)					
Accounts receivable	7,247,78	2.26	4,502,86	63.33	2,744,92
Impairment loss	7,247,78	2.26	4,502,86	63.33	2,744,92
Accounts receivable	313,875,732	7.74	4,775,54	1.52	309,100,183
Impairment loss	313,875,732	7.74	4,775,54	1.52	309,100,183
	<u>321,123,710</u>	<u>100.00</u>	<u>9,278,40</u>		<u>311,845,310</u>

12.3.2 Accounts payable

December 31, 2022		December 31, 2021	
RMB		Dollars	
Accounts payable	84,193,739		6,38,475
Prepaid expenses	1,161,389		2,767,06
Other payables	71,969		168,510
	345,965		287,111
	85,773,062		6,162,002

12.3.3 Revenue and cost of sales

Analysis of revenue and cost of sales

Year ended December 31, 2022		Year ended December 31, 2021	
Revenue	Cost	Revenue	Cost
1,366,816,938	1,040,114,650	1,202,774,378	877,111,686
118,086,104	91,857,293	4,655,2	71,320,820
1,484,903,042	1,131,971,943	1,207,430,370	8,432,56

Breakdown of revenue:

	Year ended December 31, 2022	December 31, 2021
Revenue		
Income from operations	1,366,816,938	1,202,774,378
Income from discontinued operations	305,118,303	267,588,282
Income before income taxes	1,061,698,635	35,186,066
Income taxes	118,086,104	1,655,212
Income from operations	85,464,736	51,613,422
Income from discontinued operations	3,000,000	2,702,717
Income before income taxes	8,067,969	7,515,327
Income taxes	—	1,603,548
Income from operations	21,553,398	1,651,338
	<u>1,484,903,042</u>	<u>1,277,430,370</u>

12.3.4 Expenses by nature

	Year ended December 31, 2022	2021
Employee expenses	538,910,495	435,675,572
Depreciation and amortization	417,971,255	353,105,212
Income taxes	—	15,204,373
Donations	53,029,785	45,173,131
Debt interest	38,189,336	45,435,381
Research and development	22,991,164	15,010,680
Goodwill impairment	46,397,647	38,371,181
Health and welfare	17,904,619	15,472,885
Other non-current assets	66,553,544	57,050,466
Other non-current liabilities	29,928,936	24,061,566
Other non-current income	23,086,081	21,047,712
Other non-current expenses	27,657,239	25,603,836
Other non-current assets	28,302,685	13,820,362
Other non-current liabilities	6,366,300	1,222,000
Other non-current income	3,526,993	2,033,333
Other non-current expenses	5,332,488	4,165,455
Other non-current assets	8,492,201	3,312,808
Other non-current liabilities	12,214,419	15,327,752
Other non-current income	39,035,944	43,866,152
	<u>1,385,891,131</u>	<u>1,183,101,110</u>

12.3.7 Income tax expenses

Table of income tax expenses

	Year ended December 31,	
	2022	2021
Income tax expense	40,192,565	26,118,820
Deferred income tax expense	-13,618,853	27,110,313
	<u>26,573,172</u>	<u>53,229,133</u>

Reconciliation between total profit and income tax expenses

	Year ended December 31,	
	2022	2021
Profit before income tax	15,604,874	5,611,143
Income tax expense	3,028,480	21,762,766
Income tax expense	7,125,277	1,508,267
Income tax expense	-3,896,947	-2,511,744
Income tax expense	-5,563,847	-283,550
Income tax expense	1,736,913	4,012,268
Income tax expense	137,339	-3,047,222
Income tax expense	31,726,873	40,745,555
Income tax expense	0.656358	13.117540

12.3.8 Dividend

31, 2023,	B	31, 2022.	f	f
f	D	31, 2022.		
2 6 2022,	B	31, 2021.	f	f
f	D	31, 2021.		
2021 f	D	1 6 2022.	f	f

13 CONTINUED SUSPENSION OF TRADING

本公司已於2022年1月1日起，因本公司股份在聯交所的收市價連續三十個交易日低於每股0.00元，而根據《上市規則》第17.02條，本公司股票將被摘牌。本公司將繼續與香港交易所及聯交所溝通，以尋求恢復本公司股票在聯交所上市交易。

Shareholders and potential investors of the Company are reminded to rationally deal with any information not officially released by the Company, and Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

14 DEFINITIONS

除文義另有所指外，下列詞彙在本章程中應作如下解釋：

「北京怡寧醫院有限公司」指北京怡寧醫院有限公司，其於2015年17月17日，在香港註冊成立，為一間私人公司。

「蒼南康寧醫院有限公司」指蒼南康寧醫院有限公司，其於2012年15月15日，在香港註冊成立，為一間私人公司。

「淳安康寧黃鋒醫院有限公司」指淳安康寧黃鋒醫院有限公司，其於2020年16月16日，在香港註冊成立，為一間私人公司。

「香港」指香港特別行政區。

「香港交易所」指香港交易所。

「上市規則」指香港交易所證券上市規則。

「聯交所」指香港聯合交易所有限公司。

「本公司」指本公司。

「董事」指本公司董事。

「股東」指本公司股東。

「股份」指本公司股份。

「每股」指每股股份。

「收市價」指股份在聯交所的收市價。

「三十個交易日」指三十個交易日。

「低於每股0.00元」指低於每股0.00元。

「《上市規則》第17.02條」指《上市規則》第17.02條。

「本公司股票將被摘牌」指本公司股票將被摘牌。

「本公司將繼續與香港交易所及聯交所溝通」指本公司將繼續與香港交易所及聯交所溝通。

「以尋求恢復本公司股票在聯交所上市交易」指以尋求恢復本公司股票在聯交所上市交易。

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		公司)),	
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溫嶺南方精神疾病專科醫院有限公司), 20, 2018,

溫州甌海怡寧老年醫院有限公司), 8, 2021,

寧心理互聯網醫院(溫州)有限公司), 10, 2020,

永嘉康寧醫院有限公司), 12, 2012,

樂清康寧醫院有限公司), 3, 2013,

樂清怡寧中西醫結合醫院有限公司), 200 6, f B & 有限公司)

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Wenzhou Kangning Hospital Co., Ltd.
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1st, 2023

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